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Japan

Reaction to U.S. Super 301 Issue Reported

Officials Urge 'Cautious' Action

OW0303034794 Tokyo KYODO in English 0334 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—Prime Minister Morihiro Hosokawa urged the United States on Thursday to be cautious in reviving the Super 301 trade retaliation mechanism as a means of bringing pressure on Japan to further open its markets to foreign competition.

"I strongly hope the U.S. Government will take sensible action based on a sensible judgment," the premier said at a session of the House of Councillors special panel on political reform. He made the comment in reply to a question by Hidehisa Otsuji of the main opposition Liberal Democratic Party.

Hosokawa also said the Japanese Government will be closely watching U.S. moves on the matter, in lieu of contemplating countermeasures to the potential revival of the Super 301 trade law. Super 301, passed by the U.S. Congress in 1988, gives the government the right to retaliate against countries which the U.S. deems to be engaging in unfair trade practices.

U.S. media reports have speculated that the measure might be revived for use against Japan following the collapse of bilateral trade "framework" talks and as a result of Washington's discontent over Tokyo's alleged failure to grant sufficient access for U.S. firms to its telecommunications market.

Chief Cabinet Secretary Masayoshi Takemura also called on the U.S. to take a cautious stand over the handling of the lapsed Super 301, reiterating that Japan has already decided to voluntarily devise a package of measures to further open its markets, to be announced by the end of March. "The Japanese Government started making efforts to break a stalemate quickly and voluntarily," the top government spokesman told a news conference, adding that Washington should take such moves by Tokyo into account.

Meanwhile, a government source on Thursday morning said Tokyo would file a complaint to the General Agreement on Tariffs and Trade (GATT) if the U.S. moves to impose sanctions on Japan over the spat on access to the Japanese cellular phone market.

Saying the revival of Super 301 has already been discounted, the source revealed the Japanese Government is considering taking the case to the GATT in accordance with international rules in order to settle what it perceives as unilateral sanctions.

U.S. Asked To 'Act Sensibly'

OW0303072494 Tokyo KYODO in English 0711 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—A senior Japanese trade official said Thursday a revival by U.S. President Bill Clinton of the so-called "Super 301" provision threatens to shrink world trade and urged the U.S. Administration to "act sensibly."

Hideaki Kumano, vice minister of international trade and industry, speaking at a regular press conference, made the warning following news reports that Clinton is ready to reinstate the controversial trade law, which would give him broad authority to impose retaliatory sanctions against Japan over trade disputes.

"Such a unilateral approach to solving trade disputes will result in a shrinkage of world trade. From the viewpoint of GATT rules, a revival would be problematic," Kumano said.

U.S. dailies, including THE NEW YORK TIMES, reported Wednesday that Clinton has decided to reinstate the "Super 301" provision of the 1988 trade law by executive order.

"Japan is cautiously watching the U.S. move. The U.S. should act sensibly," Kumano said.

Keidanren Head Opposes Super 301

OW0303091394 Tokyo KYODO in English 0854 GMT 3 Mar 94

[Text] Nagoya, March 3 KYODO—A Japanese business leader said Thursday [3 March] it will take time for Japan's economy to recover while admitting that some positive economic signs like housing construction have emerged.

Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), said, "it is hard to tell whether Japan's economy is at this stage capable of rapidly recovering. We have problems like the yen's surge and asset deflation."

Referring to reports that the United States may revive its Super 301 trade legislation, Hiraiwa said, "I hope the U.S. will not take such punitive measures against Japan." He said that instead "Japan needs to carry out practical and concrete steps...to stimulate domestic demand, relax various government regulations, and open up its markets."

Tokyo Refutes U.S. Claims on Bilateral Trade

OW0303134194 Tokyo KYODO in English 1318 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—Japan has sent to U.S. trade officials letters refuting their claims that past bilateral trade agreements have not served to open Japan's markets, a Japanese trade official said Thursday.

In letters sent to U.S. Trade Representative Mickey Kantor and other U.S. officials, the Ministry of International Trade and Industry insisted that many pacts have worked well on raising imports of U.S. products, the official said. These letters point to the fact that Japan's imports of U.S. beef nearly doubled in 1992 from 1988 following a bilateral trade agreement and that the ratio of foreign products to government purchases of computers climbed to 18.9 percent in fiscal 1992 from 8.8 percent in fiscal 1991.

Also cited in these letters are statistics showing an increase in sales of imported autos in defiance of a general market slump and progress in cooperation between Japanese and U.S. firms in boosting the U.S. share in Japan's chip market. In bilateral talks on a new trade framework, the United States has insisted past trade pacts have not worked well because of a lack of objective criteria.

'Source': Christopher To Meet Hosokawa, Hata

OW0303123994 Tokyo KYODO in English 1225 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—U.S. Secretary of State Warren Christopher will hold talks separately with Prime Minister Morihiro Hosokawa and Foreign Minister Tsutomu Hata on March 10, a senior Foreign Ministry source said Thursday [3 March].

Trade problems between Japan and the United States are expected to be high on the agenda for the talks, government sources said.

Christopher and Undersecretary of Defense Frank Wisner will participate the same day in security consultations with Hata and Defense Agency Director General Kazuo Aichi, the ministry source said.

The consultations are expected to take up matters pertaining to the bilateral alliance and the issue of North Korea's nuclear program.

Christopher, who arrives in Japan on March 9 on a four-nation trip to Asia and Australia, is also expected to attend a meeting in Tokyo of the International Committee on Reconstruction of Cambodia (ICORC).

The secretary of state said in an interview Wednesday that he expects political and security ties between the U.S. and Japan will remain intact despite bilateral trade woes.

"Our relationship on the first two aspects is excellent and I would not expect it to be negatively affected by the economic matters we are going to be discussing or economic actions to be taken," he said.

Newspaper Conducts Poll on U.S. Relations

OW0303000294 Tokyo KYODO in English 2333 GMT 2 Mar 94

[Text] Tokyo, March 3 KYODO—Pollees who consider Japan-U.S. relations to be good plunged to a record low of 20 percent, down from 37 percent two months earlier, an ASAHI SHIMBUN poll released Thursday showed.

Those who do not consider the bilateral relations to be good increased to 64 percent, from 42 percent in December last year, the ASAHI said.

In the survey, 16 percent, down from the previous 26 percent, said the bilateral relations will head in a good direction, while 23 percent predicted relations would head in a bad direction.

As for Prime Minister Morihiro Hosokawa's refusal to accept the U.S. demand for numerical targets to measure the degree of openness of the Japanese market, voiced during a summit meeting with U.S. President Bill Clinton last month, 20 percent said the action was only natural, 57 percent said it was unavoidable, and 12 percent said it was not good.

The ASAHI conducted the survey on February 27 and 28, polling 3,000 people aged 20 and older, of whom 2,318 people responded.

U.S. Automakers To Be Briefed on Certification

OW0303134394 Tokyo KYODO in English 1315 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—The Transport Ministry will send a senior official early next week to Detroit to tell U.S. automakers what to do to facilitate the flow of U.S. autos into the Japanese market, officials said Thursday [3 March].

The United States has criticized Japan's automotive standards and certification system as an import barrier, and called for an immediate removal of the barrier.

The officials said there are two methods of certification for foreign cars—one method being a one-by-one certification of imported autos and the other a blanket certification of imported autos of the same type.

If a foreign automaker is to ensure blanket certification, it will have to file with the ministry for designation of autos of the same type, the officials said.

If a foreign automaker wins type designation for a certain type of auto, the cost of bringing such autos into Japan is lower and the formalities involved are much simpler, they said.

Thus, most of the autos imported from Europe are covered by the type designation system, while most of the U.S. automakers have not utilized the system.

The ministry is sending Hideaki Mukaiyama, vice minister for international affairs, to Detroit next Tuesday to encourage U.S. automakers to utilize the system.

The ministry is due to station a consul at the Japanese Consulate General in Detroit from April to help U.S. automakers win type designation for their autos.

Toyota Plans To Import $6 Billion in Auto Parts

OW0303112294 Tokyo KYODO in English 1101 GMT 3 Mar 94

[Text] Nagoya, March 3 KYODO—Japan's largest auto manufacturer Toyota Motor Corp. will probably announce a vountary target of purchasing a six billion dollar U.S.-made auto parts in fiscal 1996, industrial sources said Thursday [3 March].

Other automakers are likely to follow suit in an apparent effort to break an impasse in trade talks between Japan and the United States, the sources added.

Japan's 11 auto makers pledged to buy U.S. auto parts worth 19 billion dollars in fiscal 1994 as part of efforts to reduce Japan's huge trade surplus when then U.S. President Gerge Bush visited Tokyo in 1992.

Earlier in the day, Toyota Chairman Shoichiro Toyoda showed a positive stance on setting a voluntary target for imports of U.S. auto parts.

Toyoda suggested at a news conference that the Japanese side could propose the voluntary target on condition that the U.S. does not take a retaliatory measure if Japanese automakers fail to realize such an objective.

Toyoda said the auto manufacturers of Japan and the U.S. are on good terms, adding it is better to set a voluntary target than to damage the relations between them.

The economic relations between Japan and the U.S. have been strained since February 11 when Prime Minister Morihiro Hosokawa and U.S. President Bill Clinton failed to reach agreement on a U.S. demand for setting numerical targets to gauge the openness of Japanese markets to American products.

The bilateral trade negotiations have centered on four fields—autos and auto parts, medical equipment, telecommunications products and insurance services.

On Wednesday, Clinton indicated that he will soon revive the super 301 provision of the 1988 omnibus trade act, which would allow for retaliatory measures against countries deemed to be engaging in unfair trade practices.

Toyoda has been named new chairman of the Federation of Economic Organizations (Keidanren) to replace Gaishi Hiraiwa, chairman of Tokyo Electric Power Co.

Growers Protest Against Lifting U.S. Apple Ban

OW0303115494 Tokyo KYODO in English 1143 GMT 3 Mar 94

[Text] Sendai, March 3 KYODO—Japanese apple growers outraged over the expected opening of the market to apples from the United States staged a protest rally in Sendai on Thursday[3 March], warning that cheap imports would result in the collapse of domestic production.

Tokuei Kimura, chairman of the Apple Growers' Association of top-producing Aomori Prefecture, accused the government of neglecting domestic producers by lifting the ban without taking sufficient precautions.

"The current quarantine system does not prevent infested imports," Kimura told some 500 apple growers from all over the nation.

Following the rally the apple growers staged a demonstration in the city center.

Tokyo officially opened its apple market in 1971 but continued to ban imports from the U.S., saying there was not enough proof they do not carry insects or viruses.

A similar ban on apples from New Zealand was lifted last June on grounds that they meet quarantine regulations. Frustrated U.S. growers have said they would seek trade sanctions against Japan.

In an effort to end the decades-long apple dispute, Tokyo said it would import U.S. apples from this fall at the earliest following a revision of quarantine checks.

Tokyo Plans To Urge PRC To Open Markets

OW0303091194 Tokyo KYODO in English 0850 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—Japan will urge China through the General Agreement on Tariffs and Trade (GATT) to cut its tariffs and open its markets to foreign products, government officials said Thursday [3 March].

The requests will be included in a list of recommendations Japan will submit to a GATT working committee to help China join GATT at an early stage, as it hopes to, the officials said. The committee opens a meeting in Geneva on March 15.

China, on receiving such recommendations from GATT member nations, is expected to submit a list of proposed tariff cuts to GATT by next summer.

Under an agreement reached last year at the Uruguay Round of global trade talks, Japan is to cut its tariffs by an average 1.5 percent and the United States and European nations are to reduce theirs by 3.0 percent.

China's high tariffs have hindered its admission to GATT.

The Chinese tariffs are believed to average more than 40 percent, although China itself puts the average at 22 percent.

The Japanese-proposed tariff cuts for China are expected to cover hundreds of items, including automobiles, machinery and electronics products, the officials said.

The World Trade Organization (WTO), which is to replace GATT in January 1995, is expected to impose stricter conditions for admission than GATT.

All GATT members, however, will be allowed to join the WTO.

NHK Interviews Zhu Rongji on Economic Reform

OW0303121094 Tokyo NHK General Television Network in Japanese 1000 GMT 2 Mar 94

["Exclusive" interview with PRC Vice Premier Zhu Rongji by an unidentified NHK reporter on 2 March; place not given; from the "NHK News 7" program; NHK announcer Yoshiaki Kawabata reads report in Japanese; Zhu Rongji answers questions in Mandarin with Japanese captions—passages within quotation marks recorded]

[Text] [Announcer] PRC Vice Premier Zhu Rongji, who is visiting Japan at the invitation of the Foreign Ministry, gave an interview to NHK. This interview was the first exclusive interview with a foreign news media after he took up the post of vice premier.

During the interview, Zhu expressed great expectations for Prime Minister Morihiro Hosokawa's visit to China scheduled for 19 March. He cited concrete figures when discussing the focal issues of anti-inflation measures, future problems in the Chinese economy, and relations with Japan, giving an in-depth account of PRC's policy thinking as the highest responsible official for China's economic reform.

Impression of His Visit to Japan

[Zhu] "I feel that friendship and cooperation between China and Japan and between the Chinese and Japanese people have struck roots in the hearts of people here and have become a trend sweeping across Japan. I feel that this kind of thinking will not change, no matter how the Japanese political situation develops and what happens in the rest of the world."

Prime Minister Hosokawa's Visit to China

[Zhu] "We and Prime Minister Hosokawa have decided through discussion that the prime minister will visit China in mid- and late March. We have long since made active preparations to welcome Prime Minister Hosokawa. President Jiang Zemin and Premier Li Peng are looking forward to holding fruitful talks with him in Beijing."

[Announcer] Vice Premier Zhu Rongji, who is also a member of the Standing Committee of the CPC Political Bureau, was promoted from his position as mayor of Shanghai three years ago for his outstanding economic abilities. He has since been in charge of the economic reforms advocated by Deng Xiaoping.

Discussing the problems and prospects of economic reforms, for which he is the key leader, Zhu said, the Chinese economy will be able to continue its rapid growth. He expressed confidence in dealing with the crucial anti-inflation measures. He said:

[Zhu] "Inflation was caused by excessive increase in investment, which was not healthy, and by reform of our price structure. The latter was an extremely important factor. Last year, we lifted control of the prices of grain and most of the capital goods. This could not but cause price increases. However, this kind of reform is essential to instituting a market economy. With the adoption of price-stabilizing measures, I believe this year's inflation rate can be kept below 10 percent. Asia, and China in particular, is witnessing the fastest economic growth in the world today. I believe that strengthening economic cooperation with China and with other parts of Asia will not only contribute to economic prosperity in the region, but will also help Japan in its economic readjustment and accelerate its economic revitalization. I feel this is something worth considering."

[Announcer] Vice Premier Zhu Rongji, who has been in Japan since 23 February, extended his stay by one day, and is scheduled to return home the day after tomorrow [4 March].

Car Exports to PRC Soar Prior to Duty Hikes

OW0303092394 Tokyo KYODO in English 0826 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—Japan's exports of completed cars to China are increasing dramatically ahead of customs duties to be slapped on imports of autos by foreign firms, industry sources said Thursday [3 March].

Foreign companies in China "are rushing to buy foreign cars before the duty is imposed," an official at Nissan Motor Co. said.

"But the boom will be short-lived. After the duties are slapped on in April, shipments will plunge," he said.

In January, the Chinese Government decided to impose a uniform 110 percent custom duty on cars to be purchased by both domestic and foreign companies. The latter have up to now been allowed to import cars duty-free.

Under the tax reforms, import licenses issued last year will be extended to the end of March. This gave foreign firms operating in China a three-month grace period to import duty-free cars.

Nissan shipped some 2,700 vehicles to China in January, more than double the number for December.

Mazda Motor Corp.'s exports have doubled since December to some 250 vehicles a month, according to the industry sources.

The Chinese import boom has helped Japanese automakers reduce their inventories of completed vehicles by more than two-thirds from 20,000 at the worst stage last year, they added.

Official Reports Meeting Healthy Kim Chong-il

OW0303110594 Tokyo KYODO in English 1049 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—North Korean President Kim Il-song's son and heir apparent, Kim Chong-il, is in good health and even goes horse riding, a high-ranking member of the pro-Pyongyang General Association of Korean Residents in Japan (Chongnyon) said Thursday.

In an interview with KYODO NEWS SERVICE, Ho Chong-man, vice chairman of Chongnyon's Central Standing Committee, said he met the younger Kim during a visit to North Korea in late February and also saw him horse riding. Ho dismissed press reports in February that Kim had sustained serious injuries.

Ho said he met Kim on the afternoon of February 28. It was Ho's fifth meeting with Kim.

Kim told him that North Korea highly appreciates its agreement with the United States over international inspections of North Korean nuclear sites. Ho said Kim told him North Korea "honors its promises."

Ho said he met Kim in Pyongyang and later encountered him outside the capital where he saw him riding a white horse and accompanied by several high-ranking government officials. He said Kim stopped and asked him to join him in horse riding. But Ho said that after he explained he did not know how to ride a horse, Kim rode away at the head of a group of riders on three other horses along a seven- to eight-kilometer country track.

Ho said he was fully aware of the reports that Kim had been injured but said he could see no sign of injury during his discussions and walks with Kim. He said Kim appeared robust and slimmer than when they previously met.

At a dinner reception in the evening, Kim said North Korea "is conducting diplomacy of its own volition on an equal footing with the United States."

The U.S. and North Korea agreed last Friday at a working-level meeting in New York that Pyongyang would resume dialogue with South Korea and fully implement International Atomic Energy Agency inspections of its seven declared nuclear plants.

Tokyo Establishes Diplomatic Ties With FYROM

OW0103124994 Tokyo KYODO in English 1202 GMT 1 Mar 94

[Text] Tokyo, March 1 KYODO—Japan established diplomatic relations with the former Yugoslav Republic of Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] on Tuesday [1 March], the Foreign Ministry announced.

The two countries exchanged notes for establishing diplomatic ties in Skopje, the capital of Macedonia, it said.

Tokyo Plans Aid for Burmese Nongovernment Bodies

OW0303125594 Tokyo KYODO in English 1018 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—Japan will grant a total of 18.4 million yen in aid to three nongovernmental organizations (NGOs) operating in Myanmar [Burma], a senior Foreign Ministry official said Thursday [3 March].

The assistance includes 8.4 million yen to the Myanmar Red Cross Society to strengthen emergency services and 4.2 million yen to the Myanmar Maternal and Child Welfare Association to promote health of mothers and children, the official said.

It also includes 5.8 million yen to a French NGO, the Medicine San Frontier, to support its fight against malaria in Rakhine, Myanmar's western state bordering Bangladesh, he said.

Japan suspended official development assistance to Myanmar after the 1988 military coup. But it has been offering emergency and humanitarian aid on a case-by-case basis.

Cooperatives Warned Over Rigging Rice Prices

OW0303125694 Tokyo KYODO in English 1014 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—The Fair Trade Commission (FTC) issued a warning to 12 agricultural cooperatives Thursday [3 March] about their suspected pressuring of wholesalers to keep high the prices of rice offered on the free market in 1990 and 1991.

FTC officials said the commission suspects the cooperatives directed wholesalers to adopt certain prices and volumes with the aim of sustaining the price of rice not subject to government control.

It is the first time for the commission to issue a warning in a case involving rice deals.

A system of bidding for free-market rice was initiated in 1990 but the auctions have been suspended since last fall because last year's harvest was the worst in the postwar period and foreign-grown rice had to be imported on an emergency basis.

Agricultural cooperatives, which virtually monopolize the supply of domestic rice, allegedly decided the prices and volumes of rice put up for auction on the free market during the first two years.

Most of Japan's rice is bought by the government from cooperatives at highly subsidized prices and sold to the public at government-set prices.

Some of the cooperatives are suspected of promising kickbacks to wholesalers under the guise of sales promotion expenses in return for making higher bid prices, the officials said.

In the wake of higher-than-expected prices in the bidding for rice in 1990 and 1991, the commission started investigations into agricultural cooperatives and wholesales nationwide and determined they had violated the Antimonopoly Law, the officials said.

The cooperatives cautioned by the commission are located in Akita and Niigata Prefectures, northern Japan, where popular brands of rice like Koshihikari and Sasanishiki are produced.

About four million tons of rice are allowed every year to be traded outside of government price control.

The prices of one million tons of this rice are set through auctions in local rice markets nationwide and the prices of the remainder are decided in direct deals between the national federation of agricultural cooperative associations and wholesalers.

Hosokawa News Conference on Reshuffle Decision

OW0203170594 Tokyo NHK General Television Network in Japanese 1432 GMT 2 Mar 94

[News conference with Prime Minister Morihiro Hosokawa by unidentified domestic correspondents at the prime minister's official residence in Tokyo—live]

[Text] [Unidentified dean of the press corps] As dean of the press corps, I will ask the first questions. This news conference is scheduled to last for approximately 20 minutes.

Mr. Prime Minister, you have decided to put off a reshuffle of your cabinet. Mr. Prime Minister, I would ask you why you have decided to put off a reshuffle of your cabinet. Mr. Prime Minister, you have stated that your government will shift from a government for political reform to a government for economic reform and that you will work with this shift in mind. Mr. Prime Minister, you have had difficulty handling the issue of replacing the chief cabinet secretary. How are you going to deal with these issues?

[Hosokawa] I have caused the people great worries. Yesterday and today, I met with leaders of the ruling coalition parties to ask them about their respective intraparty situation and their views on the cabinet reshuffle. As you just said, I have worked on political reform as a major item on my domestic policy agenda for the past seven months since my government was inaugurated last August. During that period, I have worked to deal with the Uruguay Round and with a package of economic stimulus measures and with the Japanese-U.S. framework talks. I think that all of these have been major policy tasks for me.

Although the legislation for political reform has yet to be completed, I think that in general, my government has completed its first phase. From this point forward, my government will enter its second phase. I think that during the first phase, my government pushed for political reform. In the second phase, my government will deal with Japanese-U.S. economic frictions and will work on deregulation, which I believe is related to Japanese-U.S. relations. Because of different tasks, the nature of the government needs to be changed. In this context, I think now is the time for a cabinet reshuffle. I officially mentioned the issue of reshuffling my cabinet yesterday for the first time. The issue of reshuffling my cabinet has been reported.

I yesterday met with leaders of the ruling coalition parties to ask their views on a cabinet reshuffle for the first time. I met with them yesterday and today to ask their views. I have realized through a series of meetings with the leaders of the ruling coalition parties that I should not do what might cause a rift within the coalition government. Other leaders of the ruling coalition parties said that it is not good to give the impression that I am trying to oust a specific cabinet member. In short, many leaders of the ruling coalition parties expressed their opinion that the most important thing is to hold the coalition government together.

I and many leaders of the ruling coalition parties have considered the need to make the prime minister's official residence function smoothly. As for the issue of replacing the chief cabinet secretary, who plays the key role in the prime minister's official residence, I have been concerned that the ruling coalition parties have reacted against the chief cabinet secretary's behavior. The chief cabinet secretary has worked hard to support me.

There is the opinion that although Mr. Takemura is the head of Sakigake [Harbinger], he should concentrate on his duties as chief cabinet secretary. I said this straightforwardly to Mr. Takemura today and asked him to take this into account. I asked him to concentrate on his duties as chief cabinet secretary. Needless to say, the duties of the chief cabinet secretary are to coordinate views among the ruling coalition parties as well as the opposition parties. I asked Mr. Takemura to concentrate his efforts on coordinating views within the ruling coalition parties on economic issues including Japanese-U.S. economic frictions, which are emerging as a major item on the agenda of my government. In response, Mr. Takemura told me that he fully understood what I asked of him and that he will carry out his duties keeping in mind what I have asked of him. As I said just a while ago, in giving importance to the unity of the ruling parties, I have decided to postpone a cabinet reshuffle.

[Reporter] You just said that you have postponed carrying out a cabinet reshuffle at this point, but did you discuss with the leaders of the coalition parties the possibility of reshuffling the cabinet in the future, for example, after the Diet passes the budget bill?

[Hosokawa] No, I did not.

[Reporter] You mentioned the treatment of the chief cabinet secretary. Does your decision to postpone a cabinet reshuffle mean that you will not remove Mr. Takemura from his post?

[Hosokawa] That is correct.

[Reporter] It may not be an appropriate expression, but from what you have said, I understand that Mr. Takemura will not resign voluntarily. Is my understanding correct?

[Hosokawa] I believe that he will not resign voluntarily.

[Reporter] You have planned to establish a new ministerial post in charge of deregulation and to carry out a reorganization of the cabinet to transform it into an economic reform government. Thus, are you considering reshuffling the cabinet around May?

[Hosokawa] I am not thinking about doing that so far. However, because, as I said earlier, the government has to deal with issues with a particular emphasis on economic problems, I would like to tackle those issues by taking the initiative.

[Reporter] You mentioned that your relations with Chief Cabinet Secretary Takemura are not smooth. He is not attending this news conference. Do you think that you will be able to improve relations concerning the operations of the cabinet over the next several months?

[Hosokawa] He was originally scheduled to attend this news conference, but I told him that it was better for him not to attend because he was the person to be discussed. I would not mind his attending, but because I thought that he would feel uneasy, I recommended to him that he not attend. He has been supporting me completely, and I have discussed things straightforwardly with him. Because he told me that he would, I believe that Mr. Takemura will continue to support me.

[Reporter] Mr. Prime Minister, you said just a while ago that yesterday was when you first made an official proposal concerning a cabinet reshuffle, but half a month ago you did not deny a possible cabinet reshuffle in response to reporters' questions. As a matter of fact, I think that your intention to carry out a cabinet reshuffle invited a political vacuum for more than half a month. The media has reported such a political vacuum, and it can be said that the prime minister's office has not been functioning. What do you think of this?

[Hosokawa] What I said a half month ago means that the first task of the political reform-oriented government has been carried out and that the situation now permits me a free hand. I do not think that the prime minister's office has not been functioning. Because the cabinet is composed of the coalition partners, which are precariously balanced, I think it is inevitable that I will undergo a twist-and-turns process in making decisions on political issues—such as the welfare tax issue.

[Reporter] We have heard that Shinseito [Japan Renewal Party] Secretary General Ozawa has persistently called for Chief Cabinet Secretary Takemura to be replaced. Did he consent to your decision when you met with him today, and what did you discuss with him?

[Hosokawa] I think that Shinseito Secretary General Ozawa—I want to refrain from mentioning specific parties—must have thought that, like the opinions mentioned earlier, it is time for a cabinet reshuffle because one goal called political reform has been achieved, and that it is necessary to consider the fact that relations between the chief cabinet secretary, who is a key person in the cabinet, and the ruling parties are rocky.

[Reporter] In view of a series of confusing incidents such as the welfare tax issue and the cabinet reshuffle, there is the opinion that it is impossible for the coalition to run the government, even though the government—which originally set political reform as its major goal—plans to shift its emphasis to economic matters following the attainment of political reform. What is your opinion?

[Hosokawa] I know that there are various opinions. At the meeting of top leaders of the ruling parties held just a while ago, we confirmed the intention to maintain the unity of the coalition government.

[Reporter] What is the reason for maintaining the unity?

[Hosokawa] The reason is that it is impossible to carry out the reforms proposed by the government unless the unity of the ruling parties is secured. We all keep this in mind—although there sometimes is an unpleasant atmosphere within the ruling partners, and things can be awkward in running the government—and we reconfirmed this at the meeting.

[Reporter] In addition to the fate of the chief cabinet secretary, the focus of attention has been on whether Political Reform Minister Yamahana will be appointed a minister plenipotentiary. Are you thinking of giving him a new special post?

[Hosokawa] At present, I am not planning to do so, but that may be possible. I would like to study this later.

[Reporter] I believe that you planned a cabinet reshuffle to deal with many issues. It is possible that because you abandoned the plan for a reshuffle, your leadership will greatly weaken. As a result, the government may lose its centripetal force, and this would have negative effects on the Hosokawa government, which has to tackle many problems. What do you think about this?

[Hosokawa] As you know, it is the prime minister's arbitrary right to reshuffle a cabinet. It is wrong to say that I failed to carry out the plan. Because I think that the unity of the ruling coalition is important, I have decided to postpone a reshuffle. Some may not agree with me, but I do not think I have failed.

[Dean of the press corps] We are running out of time. We would like to conclude the news conference with one more question. Are you confident that you can continuously get along well with the chief cabinet secretary, who is opposed to your exercising your right?

[Hosokawa] Even under former governments led by the Liberal Democratic Party, cabinet reorganizations were decided after hearing opinions from each faction, not to mention the fact that it is more difficult for the coalition government to carry out a cabinet reshuffle because it is composed of several parties. Although it is the prime minister's arbitrary right, I have to make a final decision on a cabinet reshuffle based on the opinions of each party and on the political situation. I think that this is the right way for the ruling coalition to do this.

[Dean of the press corps] Thank you very much.

Upper House Panel Passes Reform Law Amendments

OW0303040494 Tokyo KYODO in English 0342 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—The House of Councillors special committee on political reform on Thursday [3 March] passed amendments to a package of political reform laws enacted in January.

The amendments are expected to become law after clearing an upper house plenary session Friday.

The House of Representatives on Tuesday approved the amendments, which feature changes in the lower house's election system and revised regulations on corporate donations to political fund-raising organizations.

Under the amendments, 300 seats will be allocated in single-seat constituencies and 200 by proportional representation based on the popular vote in 11 electoral units. Currently, lower house members are elected from multiseat constituencies.

The original government package called for 274 single-seat districts and 226 seats allotted by proportional representation on a nationwide basis.

The original package banned corporate donations to politicians and their fund-raising organizations, but the revised bills will allow firms to donate up to 500,000 yen per year during the next five years as a temporary provision.

The original package was passed on January 29 at the extraordinary Diet session shortly after Prime Minister Morihiro Hosokawa and opposition Liberal Democratic Party president Yohei Kono had agreed that the amendments and date of enforcement would be discussed during the current ordinary session.

Lower house elections based on the new political reform legislation can be held once a bill identifying the 300 single-seat constituencies clears the Diet.

Hosokawa Defends Cabinet Difference of Opinion

OW0303045794 Tokyo KYODO in English 0439 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—Yohei Kono, head of the leading opposition Liberal Democratic Party (LDP), said Thursday [3 March] the cabinet of the ruling coalition may be nearing the end of its political reform mission since it cannot agree on economic reform.

Prime Minister Morihiro Hosokawa, however, defended differences of opinion as "awkward" but underlined the unity of the coalition during questioning at a meeting of the special committee on political reform in the House of Councillors.

"It is fate that we make our decisions while maintaining and worrying about the delicate balance between the eight parties," said Hosokawa.

"Even though it is a bit awkward, each party believes in upholding the unity of the coalition," he said.

Hosokawa's remarks and the challenge from Kono and the LDP came in the wake of the prime minister's decision to give up reshuffling his cabinet.

"The prime minister said he wanted to form an economic reform cabinet, but he couldn't do this since they couldn't reach a consensus (within the coalition) on economic reform," Kono said.

"If political reform is realized, the mission of the cabinet will be completed," said Kono.

He further criticized the coalition, saying, "this is not the time for a power game. They should be thinking more about the welfare of the nation and the lives of the people."

Meanwhile, Chief Cabinet Secretary Masayoshi Takemura said it was "very regrettable" that cabinet reform had apparently been intended to remove him from his position as top government spokesman.

Takemura has openly differed with Hosokawa over economic policies including a bombshell proposal by the prime minister to install a 7 percent national welfare tax in place of the current 3 percent consumption tax as part of the budget package for the next fiscal year.

Takemura acknowledged there were reasons for the talk of his removal, saying, "rather than handing in my resignation, I will continue to do my best with a new attitude."

Takemura told reporters he decided not to attend a general meeting of his party, Sakigake (Harbinger), so as to draw a clear line between his roles as party leader and chief cabinet secretary.

"I will be more careful so as not to be misunderstood," he told a news conference.

Asked about his future relations with Hosokawa, Takemura said he and the premier had held discussions on seven or eight occasions and reaffirmed that they will remain friends as before.

"We agreed to maintain our friendship and I have no apprehensions about this."

He also noted he will try to stay more in touch and exchange views more often with Shinseito (Japan Renewal Party) and Komeito, the two forces that backed Hosokawa's plan for a cabinet reshuffle centering on the removal of Takemura as chief of staff.

Social Democratic Party (SDP) chairman Tomiichi Murayama, head of the coalition's largest faction, told the party's central committee that he wanted to see the SDP assume responsibility for strengthening the coalition administration.

"What is urgently needed is to get the budget through the Diet, since we have responsibility to respond to the people's expectations," Murayama said.

Keigo Ouchi, head of the Democratic Socialist Party, sounded an optimistic note in calling for coalition unity, "we have avoided antagonism within the cabinet and the government.

"The storm is over and clear weather is coming, but it is important to maintain a singleness of purpose in the coalition parties from now on."

Hosokawa 'Gradually Losing Control' of Coalition

OW0203223794 Tokyo KYODO in English 1637 GMT 2 Mar 94

["News Focus" by Shiro Yoneyama: "Hosokawa Gradually Losing Control of Coalition Government"]

[Text] Tokyo, March 2 KYODO—For the second time in a month, Prime Minister Morihiro Hosokawa has held a news conference to apologize for tactical mistakes—one about an abortive national welfare tax and now about his plan to reshuffle his cabinet.

An apologetic Hosokawa said at a news conference that he will keep Chief Cabinet Secretary Masayoshi Takemura, the top government spokesman, for the time being for the sake of the seven-party coalition which drove the Liberal Democratic Party [LDP] from power last summer.

Barely one month ago, Hosokawa, a descendant of a samurai warlord in southern Japan, caused a political commotion by proposing a 7 percent national welfare tax to replace the current 3 percent consumption tax.

The plan took the entire nation by surprise, and among those who were not consulted in advance was Takemura, leader of Sakigake [Harbinger], an LDP splinter group and coalition member.

The tax and cabinet change fiascoes, along with his allegedly nonchalant way of politicking, have driven Hosokawa's popularity ratings down from over 70 percent to the 50 percent range in recent newspaper polls.

With controversial political reform bills nearing their final parliamentary approval, Hosokawa is gradually tilting toward Shinseito [Japan Renewal Party] co-leader Ichiro Ozawa, the coalition's chief backroom strategist and protege of disgraced LDP kingmaker Shin Kanemaru.

And Takemura's Sakigake, the Social Democratic Party and the Democratic Socialist Party are alarmed by the emerging alliance of Ozawa's Shinseito and the Soka Gakkai [Buddhist sect]-backed Komeito [Clean Government Party].

Hosokawa told reporters Wednesday [2 March] night he is giving up the idea of a cabinet change to maintain unity within the coalition.

But LDP President Yohei Kono blasted the Hosokawa government for losing control of itself and engaging in power politics at the expense of the economic and trade issues confronting Japan.

Once close allies with the aim of overhauling Japanese politics, Hosokawa and Takemura, former prefectural governors, have parted ways in substance if not in style on the road to achieving their grand objective.

Under Hosokawa's failed attempt to change his cabinet, the government's key three economic ministers would have gone.

They are Finance Minister Hirohisa Fujii for involvement in a money scandal, International Trade and Industry Minister Hiroshi Kumagai for a squabble over the dismissal of a senior ministry official, and Economic Planning Agency chief Manae Kubota for her allegedly poor grasp of statistics.

One result of the latest episode and similar ill-prepared scenarios in the Hosokawa cabinet is that politics in Japan remains fluid. And that is not good news for the rest of the world.

Dailies Critical of Hosokawa Governing Method

OW0303022294 Tokyo KYODO in English 0151 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—Two Japanese dailies on Thursday criticized Prime Minister Morihiro

Hosokawa's method of governing as capricious, following his announcement Wednesday of giving up his cabinet reshuffle plan.

For two weeks the prime minister had been expected to shake up his seven-month-old cabinet, ostensibly to better tackle economic reform, but apparently intended to oust Chief Cabinet Secretary Masayoshi Takemura.

The MAINICHI SHIMBUN blamed the confusion and instability in the government on Hosokawa's tendency to do the "unexpected" rather than on his tactical errors, including most notably his abandoned welfare tax and the current crisis over cabinet reform.

It was only natural that Hosokawa gave up the cabinet reshuffle plan in the end, the MAINICHI said.

The YOMIURI SHIMBUN wondered if the prime minister understood that his tendency s the cause of the stagnation in government.

Hosokawa's impulsiveness in decision-making is also to blame for the drop in public support for the government from 72.4 percent last month to 58 percent most recently, the YOMIURI suggested.

The YOMIURI reasoned that it is natural for the prime minister to want to create an "economic reform administration" to deal with the issues of recession, budget and trade frictions with the U.S.

It added, however, that opposition at the heart of the administration has crippled the government just as budget deliberations are set to begin in the Diet.

The MAINICHI opined that the passing of next year's fiscal budget to deal with the current economic sluggishness should have taken precedence over plans to reform the cabinet.

The MAINICHI concluded that no matter how one might consider cabinet reform as an exclusive responsibility of the prime minister, Hosokawa should first sound out the intentions of the coalition members and make adjustments before carry out restructuring.

Hosokawa Suggests Ground Troops Cutback

OW0303134494 Tokyo KYODO in English 1334 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—Prime Minister Morihiro Hosokawa on Thursday [3 March] suggested a cut in the size of Japan's ground forces as part of a planned revision of the country's basic defense policy that was formulated during the Cold War, government officials said.

In a meeting with Defense Agency chief Kazuo Aichi, Hosokawa reportedly said the revision of the 1976 national defense program outline will inevitably focus on the size of the Ground Self-Defense Force (GSDF).

Hosokawa's remark implies that the strength of the GSDF as laid out in the outline could be reduced from 180,000 to less than 150,000, the officials said.

Hosokawa instructed Aichi to take the lead in revising the basic defense policy but do it in such a way as not to cause a sense of insecurity among members of the GSDF, the officials said.

Aichi reported to the prime minister the setting-up of a defense agency panel to help review the national defense program outline, adopted by the cabinet of Prime Minister Takeo Miki in 1976.

The program calls for the government to maintain Japan-U.S. security arrangements to defend Japan against large-scale attacks and also to build up Japan's own defense capabilities to repel limited-scale invasions.

A numerical defense table attached to the outline sets the size of the GSDF at 180,000 troops, but the actual number of personnel is 152,000, chiefly because of difficulty in recruiting volunteers.

Apart from the Defense Agency's panel, Hosokawa established a nine-member consultative council last month to review Japan's basic defense policies.

The Defense Agency panel will give advice to the prime minister's advisory body, officials said.

Saito: Economy Can Absorb Interest Rate Rises

OW0303100594 Tokyo KYODO in English 0928 GMT 3 Mar 94

[Text] Tokyo, March 3 KYODO—Recent rises of long-term interest rates and the yen's value are unlikely to put a drag on Japan's economy, Vice Finance Minister Jiro Saito said Thursday [3 March].

Saito told a regular press conference that the climbs were recent developments and did not reflect long-term trends.

Concerning the interest rates, Saito said rates were rising from a very low point and remain at "sufficiently low levels."

He said that "at one time" the yen was said to be on another uptrend but those expectations did not come about.

Saito said more time is needed to watch interest rate and currency market trends.

Japanese benchmark 10-year government bond yields jumped Monday to 3.94 percent, their highest level since just before the Bank of Japan cut its official discount rate to a record low 1.75 percent a year in September.

Banks are moving to raise their long-term prime lending rates, which would put upward pressure on housing loan rates.

Market players have cited a halt in the decline of business confidence signaled by a key survey released Monday, and concerns of oversupply in the wake of the government's stepped-up bond issuance.

The yen also climbed Monday as reports circulated that the United States would revive a retaliatory trade law, rekindling bilateral trade friction and heightening expectations of U.S. backing of a higher yen to curb Japan's huge trade surplus.

On the economy, Saito said there had been worries in some quarters of further setbacks but they have dissipated. On the other hand, he said, there is still no confirmation that the economy is bottoming out.

It is still too early to judge the economy based on recent statistics showing some hope that the worst is over, he said.

But he repeated that the effects of last month's 15.25 trillion yen economic stimulus package have yet to be felt and expressed hope that the measures will get the economy on track for a strong recovery in the fiscal year starting next month and stable growth starting in the following fiscal year.

Saito declined comment on reports that President Bill Clinton will revive the super 301 retaliatory trade provision, saying nothing official has been decided. He said Japan's policy remains not to draft numerical targets to gauge progress in opening markets.

North Korea

Schedule for IAEA Nuclear Inspections Viewed

OW0203161994 Tokyo KYODO in English 1516 GMT 2 Mar 94

[Text] Vienna, March 2 KYODO—The International Atomic Energy Agency (IAEA) is likely to start inspections of North Korea's seven declared nuclear facilities on or after Thursday, an IAEA spokesman said Wednesday. The schedule for inspections by a seven-member IAEA team was based on the prospect that the United States will announce an agreement on the issue with North Korea on Thursday. The agreement will include a date for a third round of high-level talks between Washington and Pyongyang, tentatively set for March 21 in Geneva.

IAEA sources said, however, the team will actually be able to start inspections from Friday as the U.S. announcement is likely to be made during the night in Far Eastern time. The inspection team, which arrived in Pyongyang on Tuesday, is expected to be engaged in inspections for two weeks.

The U.S. and North Korea reportedly agreed last Friday at a working-level meeting in New York that Pyongyang would resume dialogue with South Korea and fully implement IAEA inspections of its seven declared nuclear plants to realize a third round of bilateral talks.

N-S 3 Mar Working-Level Contact Reported

SK0303124694 Pyongyang Korean Central Television Network in Korean 1125 GMT 3 Mar 94

[Text] The fourth working-level contact for the exchange of the special envoys of the highest-level leaders of the North and the South was held in the South side area of Panmunjom today.

The contact was held today because of our side's sincere efforts over the four months since the third contact held in October of last year.

As was reported, our side proposed the exchange of special envoys of the highest-level leaders of the North and the South in May of last year, and have made every effort we can for its realization at the earliest date.

If the South side had taken a sincere position for the exchange of the special envoys, as our side repeatedly demanded, such as suspending the dialogue-negating, provocative nuclear war exercise, not seeking the international joint cooperation system designed to harm the fellow countrymen under the pretext of the so-called nuclear issue; and apologizing, in particular, for the violent remark that they would not hesitate to take military countermeasures against the dialogue partner, the working delegates' contact would have been concluded and the special envoys of the two sides would have traveled between Pyongyang and Seoul.

However, despite our side's just demand, the South side not only enforced the large-scale Hwarang and Eagle-93 war exercises one after another, but requested the United States not to hold the third round of DPRK-U.S. talks, even calling for so-called sanctions against us. Thus, continuously conducting the outside force-depending acts and antinational acts, the South side caused the working-level contact to be suspended.

The contact today was held in camera. After the contact, the head of our side's delegation held a news conference for domestic and foreign reporters on the spot, and informed the reporters of the status of the contact.

Our side first made clear our serious position [chinjihan ipchang] for the working-level contact, and said that in light of all the facts, the problem was that the South side has not had the proper attitude and position for the realization of the exchange of special envoys and attempted to crush [apsal] us with the outside forces under the pretext of the nuclear issue and putting the brake on the DPRK-U.S. talks. Our side made clear that the South side should feel responsible for long delaying the exchange of the special envoys of the highest-level leaders of the North and the South, which are aimed at bringing forth a turning point for peace and the peaceful reunification of the country.

Our side stressed that the way of breaking through the difficulties most promptly and smoothly at a time when the threat of nuclear war is menacing the nation is exchanging special envoys of highest-level leaders of the North and South at the earliest date. Our side urged the South side to take immediate steps to remove obstacles lying in the way of the exchange of special envoys.

Regarding this, our side insisted that the South side should stop all the large-scale nuclear war exercises against its dialogue partner, give up seeking an antinational international cooperation system, call off its attempt to bring in Patriot missiles to South Korea, and withdraw its remarks that it will not shake hands with its dialogue partner.

Our side stressed that these four points are just measures necessary for successfully exchanging special envoys between the North and South under a good atmosphere and environment.

Our side maintained that the two sides should wind up the discussions on procedural matters concerning the exchange of special envoys in an hour or so after the South side, at today's contact, gives a satisfactory explanation on its stance toward the four points in any form. After that, our side held, the two sides should realize the exchange of special envoys of the highest level leaders of the North and the South within the next few days.

At the contact, the South side, however, declined to clear its stance on the principled demands of our side from the beginning, in a bid to justify its unreasonable stance toward dialogue, the South side rep.

In connection with this, our side asked whether the South side truly has the intention to realize the exchange of special envoys and repeatedly urged it to clear its stance toward our just demands.

Our side, most of all, stressed that a hostile large-scale nuclear war exercise is the biggest stumbling block lying in the way of exchanging special envoys and that the South side is assuming a stance of wait-and-see by saying empty words about suspending the Team Spirit nuclear war exercise, violating the DPRK-U.S. agreement. Our side pointed out that the South side, moreover, attempts to stage another large-scale nuclear war exercise.

Our side said that the South side should give deep thought as to what grave consequence the large-scale nuclear war exercise would bring to the nation if the South side enforces such a nuclear war exercise against us, and urged the South side to make clear without delay its clear position, in the first place, on suspending all hostile large-scale nuclear war exercises for the survival of the dialogue and the nation.

Our side noted that the international joint cooperation system is not aimed at realizing the denuclearization of the Korean peninsula, but is, instead, the system of harming the nation and hurting the national interests in collusion with the outside forces [urichugun namchugi chuguhango innun kukje kongjocheje yoksi minjogul sallinun tuksa kyohwangwa choltaero yangnip toelsu opsumyo, kugesun choson pandoui pihaekhwarul silhyonhagi wihangosi anira, oesewa hanchagi toeo minjogui iigul haechiryonun minjok mohae chejerago chijok haessumnida]. Our side stressed that the South side should abandon the policy of depending on outside force and return to the true road for the nation.

Our side also noted that the South side's attempt to bring in such modern weapons as Patriot missiles is an open threat to the dialogue partner, and stressed that if the South side continues bringing in war equipment and force confrontation despite the consistent protests and denunciations of the people at home and abroad, not only the exchange of special envoys but also the situation on the Korean peninsula will proceed along toward a grave phase which no one can predict.

Our side noted the fact that the South side, which absurdly took a dialogue-negating position in the past, saying that it cannot shake hands with the other side which has a nuclear weapon, is now mentioning the exchange of special envoys, saying that it cannot consider that we have a nuclear weapon. Our side then said that if the South side has the true desire to conduct the exchange of special envoys and the summit talks [choegowikup hoedam] with us, it should not shake hands with the outside forces with nuclear weapons but with the fellow countrymen without nuclear weapons.

Saying that the North and the South are flesh and blood and fellow countrymen despite the difference in ideology and system, our side strongly urged the South side to make a decision to make a new start from the position of national independence and great national unity, in conformity with the demand of the present situation, instead of making the nation victimized by the outside forces. The South could not make any reply to this.

The two sides decided to further study the other side's position and plan and discusst them at the next contact. The two sides agreed to have the fifth working-level delegates' contact at Tongilgak in our side's area of Panmunjom on 9 March.

Chief Delegate Discusses Contact

SK0303105994 Pyongyang KCNA in English 1047 GMT 3 Mar 94

[Text] Panmunjom, March 3 (KCNA)—The fourth working contact for the exchange of presidential envoys between the North and the South was held behind closed doors in the South side's portion of Panmunjom today.

The contact was resumed by the North side's sincere efforts four months after the third contact was held in October last year.

After the contact, the head of the North side's delegation met with home and foreign reporters on the spot and briefed them on its results.

According to him, the North side said the way of breaking through the difficulties smoothly and at the earliest date at a time when the danger of a nuclear war is menacing the nation is to remove the obstacles to the exchange of envoys. It urged the South side to stop all the large-scale nuclear war exercises against its dialogue partner, give up seeking an "international cooperation system," cancel the projected introduction of Patriot missiles and withdraw its remarks that it "could not shake hands" with its dialogue partner.

The South side, however, made it impossible to discuss working procedures concerning the exchange of envoys, repeating its far- fetched argument in a bid to justify its unreasonable stand towards dialogue.

The sides agreed to have the next working contact at the Tongil House in the North side's portion of Panmunjom on March 9.

U.S. Official Cited on ROK Security Law

SK0303001694 Pyongyang Korean Central Broadcasting Network in Korean 2110 GMT 2 Mar 94

[Text] According to a report of Christian Broadcasting Network in Seoul, U.S. Deputy Assistant Secretary of State Hubbard, in a speech made at the American University on 25 February, called for the abolition of the National Security Law in South Korea.

Meanwhile, in a public session on 1 March, a U.S. Department of State spokesman confirmed that the U.S. deputy assistant secretary of state's remarks calling for the abolition of the National Security Law were made by a responsible authority and reveal [palkida] the U.S. official position.

Faced with the U.S. side's position urging the abolition of the National Security Law, the South Korean authorities and the Democratic Liberal Party went around busily reacting with remarks about interference in domestic affairs and so forth.

On the other hand, a spokesman of the opposition Democratic Party, said that the U.S. side's expression of its official position calling for the abolition of the National Security Law is, in terms of universal principles, rightful [tangyonhan], and strongly urged the authorities to abolish the National Security Law.

KCNA Reports on Hubbard's Remarks

SK0303044994 Pyongyang KCNA in English 0430 GMT 3 Mar 94

["U.S. Official Stand for Abrogation of 'NSL' in South Korea"—KCNA headline]

[Text] Pyongyang, March 3 (KCNA)—Hubbard, U.S. deputy assistant secretary of state, speaking at a seminar sponsored by American University on February 25, demanded the abrogation of the "National Security Law" (NSL) in South Korea, the Seoul-based "CBS" reported.

On March 1, a spokesman for the U.S. State Department confirmed that the remark of Hubbard, a senior U.S. Government official, publicly demanding the repeal of the "NSL" reflects the official position of the United States.

The South Korean authorities and the "Democratic Liberal Party" side now are much upset by it, calling it an "interference in their internal affairs".

Meanwhile, a spokesman for the opposition Democratic Party of South Korea in a commentary strongly demanded the authorities repeal the "NSL", saying it is natural in view of universal principles that the U.S. side manifested its official stand urging the abrogation of the "NSL".

Newspapers React to Comments

SK0303072794

[Editorial Report] On 3 March, Seoul vernacular newspapers react to Tom Hubbard, U.S. deputy assistant secretary of state, who expressed the hope that the "ROK would abolish the National Security Law."

The conservative CHOSON ILBO on page 3 carries a 1,000-word editorial entitled "United States and the National Security Law."

It first says that abolishing the National Security Law is not a matter that a third country can intervene in, and adds that, unlike what he has said, the law does not exist to hinder the promotion of human rights in the ROK, and that he should have been cautious in commenting anything on the ROK because he is a leading member of the U.S. delegation to the scheduled third round of North Korea-U.S. talks. Noting the possibility that North Korea persistently raised the issue concerning the National Security Law during the recent North Korea-U.S. negotiations, the editorial suspects that in a hasty effort to make North Korea accept nuclear inspections, the United States may have agreed during its negotiations with North Korea that it would later say something about the National Security Law. The editorial then concludes: "Hubbard made such remarks at a time it has been learned there may be some conflict or disharmony between the ROK and the United States concerning the North Korean nuclear issue. Such remarks may possibly make us an 'uneasy spectator.' This is the problem."

The moderate HANGUK ILBO carries on page 3 a 1,000-word editorial entitled "True Intention of Hubbard, Who Hoped for the Abolition of the National Security Law." The editorial questions why he made such remarks at a time when North-South dialogue is about to resume. The editorial concludes that before expressing the hope that the National Security Law would be abolished, the United States should ask North

Korea to "stop suppressing its people and abolish its criminal laws" which bear a resemblance to those of the Stalinist era.

The moderate CHUNGANG ILBO carries on page 3 a 1,000-word editorial entitled "What a U.S. Official Should and Should Not Say." The editorial first says that his remarks are "inappropriate" and "undesirable." The editorial even suspects that the National Security Law may have been a topic in the negotiations between the United States and North Korea. The editorial concludes: "An ROK- U.S. cooperation system must be further strengthened to prevent a similar confusion in the future."

Protests by South Cholla Province Students Noted

SK0303070094 Pyongyang KCNA in English 0427 GMT 3 Mar 94

[Text] Pyongyang, March 3 (KCNA)—An estimated 500 students in Kwangju under the Kwangju-South Cholla Provincial Federation of General Student Councils (Namchongnyon) staged a demonstration on March 1 in protest against the recent police search of universities, according to a report from Seoul.

After holding a rally, they fought a hit-and-run battle with police in a demonstration, chanting "Stop crack-down upon Namchongnyon!", "We oppose rice market opening!" and other slogans.

Statement Denouncing ROK Nuclear Dumping Noted

SK0303102794 Pyongyang KCNA in English 1003 GMT 3 Mar 94

[Text] Pyongyang, March 3 (KCNA)—A spokesman for the Central Committee of the South Korean National Democratic Front [SKNDF] (Hanminjon) released a statement on February 26 denouncing the South Korean authorities for dumping nuclear waste into the East Sea of Korea, the Seoul-based radio Voice of National Salvation reported.

Noting that nuclear waste dumped into the East Sea of Korea by the atomic power stations of South Korea from 1986 to 1992 amounted to 11,000 trillion becquerels, or about 100,000 curies, the statement said:

As a result, the East Sea of Korea has already turned into a "sea of death" and Ullung Island into the "second Bikini."

Such anti-national criminal acts of the South Korean authorities have caused wholesale deaths of fishes and extermination of fishes, shellfishes and cultured sea products in the sea off Uljin, Wolsong and Kori where atomic power stations are situated. A diver's wife gave birth to a brain immature infant and many people are dying of incurable diseases of unknown origin after eating fishes caught in the sea.

Our people are now eating radioactive materials and sleeping on the U.S. nuclear-powder keg which may explode at time, with their heads resting on pillows of nuclear waste from atomic power stations.

The South Korean authorities have kept media from reporting about the release of radioactive materials from atomic power stations in a bid to cover up their crimes. Worse still, they unhesitatingly perpetrated such a treacherous act as concealing even the dumping of 900 tons of nuclear waste into the East Sea of Korea by Russia with a hypocritical "investigation" in which they alleged "they could not find a sign of pollution."

The Kim Yong-sam group must immediately make public the amount and kinds of nuclear waste dumpted into the sea and the dumping places, apologize to the whole nation and promptly stop such an act. If it continue dumping nuclear waste into the sea, it can by no means escape a stern judgement by the nation and mankind.

SKNDF Urges 'Nationwide Antiwar' Struggle

SK0303111994 Pyongyang KCNA in English 1015 GMT 3 Mar 94

["S. Korean People and Students Urged To Turn Out in Anti-War, Anti-Nuke Struggle"—KCNA headline]

[Text] Pyongyang, March 3 (KCNA)—"Let all the patriotic people from all walks of life, who truly want to enjoy a peaceful life in the territory of 3,000 ri free from nuclear weapons and war, turn out in a nationwide anti-war, anti-nuke struggle to remove the crisis of a nuclear war hanging over the nation and safeguard peace!"

A spokesman for the Central Committee of the South Korean National Democratic Front appealed this in a statement on Feb. 25, according to radio Voice of National Salvation from Seoul.

Drawing attention to the ever-expanding anti-war, anti-nuke struggle of the South Korean people of different strata, the spokesman said:

"All the patriotic and democratic forces and activist organizations should raise higher the torch of the anti-war, anti- nuke struggle and expand and develop it into a nationwide struggle involving people of broad strata, one person inspiring ten, ten persons a hundred, and a hundred persons a thousand.

"The entire people who set store by the destiny of the nation should rise as one in the anti-U.S. struggle to get the U.S. troops and nuclear weapons withdrawn immediately, decisively oppose the planned deployment of 'Patriot' missiles and categorically frustrate the nuclear war games.

"Kim Yong-sam is the first-class traitor to the nation who has unhesitatingly opened the whole rice market, the blood and flesh of the people, flattering and yielding to outside forces, and who does not mind plunging the whole country into the holocaust of a nuclear war.

"The entire people should wage an anti-Kim Yong-sam struggle on a nationwide scale, mindful that the nation would be exterminated if his bellicose group is pardoned."

Paper Warns Japan Against Nuclear Development

SK0303053394 Pyongyang KCNA in English 0436 GMT 3 Mar 94

[Text] Pyongyang, March 3 (KCNA)—The Japanese Government is concerned over the rumors about "nuclear armament of Japan" swirling through the startled air of the United States, Asia and European countries and is racking its brains to find a countermeasure. This shows that Japan is finding itself attacked on all sides, put in the dock, for its nuclear activities.

NODONG SINMUN says this in a commentary today.

The analyst points out:

In an effort to get out of the tight corner, the Japanese authorities are using the anti-nuke sentiments of the Japanese people as a veil for Japan's nuclear armament.

The first nuclear victims in the world during the second world war, the Japanese people do not want the repetition of that holocaust and are opposed to Japan's nuclear armament.

Turning a deaf ear to their voice, the Japanese Government is claiming that the possession of nuclear weapons is an indispensable requisite to the conversion of the country into a military power and a political power and hastening nuclear armament to gratify its wild dominationist desire.

Japan has stockpiled a huge amount of plutonium and technologically prepared to manufacture nuclear weapons. The world thinks that it is a matter of time for Japan to manufacture nuclear weapons.

Japan's launching the nuclear-capable space rocket H-2 shows that if Japan possesses nuclear weapons, all the regions of the world shall come within Japan's nuclear range.

The Japanese Government authorities are peddling "particular sentiments of the people of the A-bomb victim nation" in a bid to lull the apprehensions of the world for Japan's nuclear armament. This is an insult to the A-bomb victims of Hiroshima and Nagasaki and other Japanese people and a mockery of the world people.

Unless it shows its will not to seek nuclear armament in deeds, Japan will invite a bitter condemnation and accuses worldwide, isolating itself.

75th Anniversary of 1 Mar 'Uprising' Celebrated

Koreans in Japan Mark Occasion

SK0203114694 Pyongyang KCNA in English 1005 GMT 2 Mar 94

[Text] Tokyo, February 28 (KNS-KCNA)—A central meeting of Korean Residents in Japan was held in Tokyo on February 28 to commemorate the 75th anniversary of the March 1st popular uprising.

In his report, So Man-sul, vice-chairman of the Central Standing Committee of the General Association of Korean Residents in Japan (Chongnyon), said the March 1st popular uprising was a nationwide anti-Japanese people's resistance in which the Korean people rose in struggle to retake the territory of their country lost to the Japanese imperialists and restore the national sovereignty.

The desire of the Korean people to achieve the sovereignty and independence of the country could be realised successfully as the respected leader Generalissimo Kim Il-song roused the entire fellow countrymen to accomplish the historical cause of national liberation, he added.

He recalled that the great leader formulated the "10-point programme of the great unity of the whole nation for the reunification of the country" and led the 70 million fellow countrymen in the struggle to achieve the national reunification under the banner of the great national unity.

He condemned the anti-DPRK campaign of the reactionaries at home and abroad and called upon all the people to firmly unite as one and fight under the banner of the great national unity to open a new phase of national reunification.

Rally, Demonstration in Seoul

SK0303065694 Pyongyang KCNA in English 0426 GMT 3 Mar 94

[Text] Pyongyang, March 3 (KCNA)—Some 2,000 citizens and students reportedly held a rally and demonstration in Seoul on March 1 to commemorate the 75th anniversary of the March 1st uprising of the Korean people against the colonial rule of the Japanese imperialists.

The protesters marched in downtown Seoul, shouting "Yankee Go Home", "Get Out Yankees Who Raise the Danger of War on the Peninsula" and "No 'Patriots'".

The AP news agency said the protesters demanded an end to the heavy U.S. military presence in South Korea and the cancellation of the plans to deploy "Patriot" missiles there. "Students argue that the heavy U.S. military presence here blocks unification of North and South of Korea", it reported.

ROK President's Address Decried

SK0303103794 Pyongyang KCNA in English 1010 GMT 3 Mar 94

["Pro-Japanese Treacheries Cannot Be Concealed"—KCNA headline]

[Text] Pyongyang, March 3 (KCNA)—The traitor Kim Yong-sam in his "memorial address" at a "meeting held to mark the March 1 uprising" Tuesday described his fascist, treacherous regime as "an orthodox civilian" regime which has inherited the "legal tradition of the Shanghai Provisional Government", raving that it was striving to "carry forward the spirit of the March 1 uprising".

An analyst of NODONG SINMUN today says it is the height of folly, that he, a despicable pro-American and pro-Japanese stooge, dared to let out such remarks, lost to shame.

The news analyst goes on:

The March First popular uprising of 1919 was an anti-Japanese resistance against the Japanese imperialists' brutal colonial rule and for the independence and sovereignty of the country. Kim Yong- sam is not entitled to talk about it, even if he had ten mouths.

His "civilian" regime is a treacherous one of "the second term of the sixth republic" which has inherited the tradition of treacheries of the "first republic" of Syngman Rhee who manipulated the assassination of Kim Ku, the leading figure of the "Shanghai Provisional Government".

What should not be overlooked is that the traitor Kim Yong-sam, allegedly commemorating the March First movement, insulted patriotic forerunners.

He drivelled that although they rose up in resistance against the Japanese imperialists' colonial rule, the forerunners did not intend to "discipline Japan's crimes". And he said it is necessary to have a correct understanding of "new Japan" of today and "cooperate" and "compete" with it.

This rigmarole of the traitor is a sermon telling the South Korean people to forget and not to call into question all the disgraces and sufferings they had undergone under the Japanese imperialist rule. It is a shameless jargon intended to conceal his pro-Japanese flunkeyist treacheries and prettify his clique's tieup with the Japanese reactionaries.

A MINJU CHOSON analyst says the traitor Kim has more glaringly betrayed his true color as a pro-Japanese traitor although he tried to conceal his treacheries through his "March First address".

Israeli Massacre of Palestinians Denounced

SK0303005294 Pyongyang Korean Central Broadcasting Network in Korean 1507 GMT 2 Mar 94

[Foreign Ministry spokesman's press statement (tamhwa) on the massacre of Palestinians by an Israeli]

[Text] The DPRK Foreign Ministry spokesman issued a press statement on 2 March on the recent heretofore rarely seen [yure tumun] massacre of Palestinians in an Israeli-occupied area:

A heretofore rarely seen massacre was recently committed against Palestinians in an area occupied by Israel. A Jewish immigrant arbitrarily fired at Palestinians who were saying morning prayers in Hebron, on the west bank of the Jordan River. Some 50 persons were killed and some 300 persons were injured in the crime committed by the Jewish person.

This awful massacre is an act of violent terrorism against Palestinians and deliberate provocation to create an artificial obstacle to the ongoing Middle East peace process. We severely denounce the massacre by Israeli extremists [kuktan punja] as a grave crime.

This tragic incident at a mosque on the Jordan River's west bank is a direct consequence [chikchopchok hugwa] of Israel's occupation policy. It shows that Palestinian's cannot remove the element of danger from their lives nor free themselves from their miserable lot, unless Middle East issues, including the Palestinian problem, are resolved.

In order to guarantee durable peace in the Middle East, Israel must withdraw from the occupied Arab lands, and Middle East issues must be resolved in a fair and comprehensive way [kongjonghago pogwalchoguro] in the interests of the people in the region. Israeli authorities must punish those responsible for murdering and wounding innocent Palestinians and must take steps to help the victims. At the same time, they must ensure that no act contrary to the Middle East peace process is conducted.

We will continue to send our active support and firm solidarity to the just struggle of the Palestinian people and the entire Arab people to restore their legitimate national rights and to accelerate the peace process in the Middle East.

KCNA Reports Ministry Statement

SK0203152794 Pyongyang KCNA in English 1517 GMT 2 Mar 94

[Text] Pyongyang, March 2 (KCNA)— A spokesman for the Foreign Ministry of the Democratic People's Republic of Korea in a statement today vehemently denounced the massacre of Palestinians by Israeli extremists in Hebron on the West Bank as a grave crime. The spokesman said:

This massacre is violent terrorism against Palestinians, which is a deliberate provocation to create an artificial obstacle to the on-going Middle East peace process. The tragic incident at a mosque on the West Bank is an immediate conseqence of the occupation policy of Israel. It shows that the danger to the lives of the Palestinian people cannot be removed nor can they be freed from their miserable lot, unless the Middle East issues including the Palestinian problem are resolved.

For guaranteeing a durable peace in the Middle East Israel must withdraw from the occupied Arab lands and the Mideast problem be solved fairly and comprehensively in the interests of the people in the region.

The Israeli authorities must punish those who murdered and wounded innocent Palestinians, take a step to assist the victims and, at the same time ensure that no actions contrary to the peace process in the region are committed.

We will continue to extend active support and firm solidarity to the just struggle of the Palestinian people and the entire Arab people to restore the legitimate national rights and accelerate the peace process in the Middle East.

WPK Delegates Return From African Countries

SK0203120494 Pyongyang Korean Central Broadcasting Network in Korean 1500 GMT 26 Feb 94

[Text] After winding up its visit to Uganda, Zambia, and Namibia, a Workers' Party of Korea [WPK] delegation led by Yi Chi-su, chairman of the Chuche Idea Academy, returned home by plane on 26 February.

The delegation was greeted at the airport by Kim Yang-kon, deputy director of a department of the WPK Central Committee.

Bulgarian Envoy Hosts Party on National Day

SK0303064994 Pyongyang KCNA in English 0423 GMT 3 Mar 94

[Text] Pyongyang, March 3 (KCNA)—Bulgarian Ambassador to Korea Yordan Mutafchiev gave a cocktail party at his embassy on March 2 on the occasion of the national day of Bulgaria.

Present on invitation were Chairman of the State External Economic Affairs Commission Yi Song-tae and officials concerned and diplomatic envoys of different countries.

Speeches were exchanged there.

Kim Il-song Sends Greetings to Foreign Leaders

Bulgarian President Greeted

SK0203105494 Pyongyang KCNA in English 0957 GMT 2 Mar 94

[Text] Pyongyang, March 2 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today sent a message of greetings to Zhelyu Zhelev, president of the Republic of Bulgaria, on the occasion of the national day of the country.

President Kim Il-song in the message wished him and the Bulgarian people success in the work for the prosperity of the country.

He expressed the belief that the relations between the two countries and peoples would continue to develop.

Libyan Leader Sent Message

SK0103111894 Pyongyang KCNA in English 1033 GMT 1 Mar 94

[Text] Pyongyang, March 1 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today sent a message of greetings to Mu'ammar al-Qadhdhafi, leader of the great September first revolution of the great Socialist People's Libyan Arab Jamahiriya, on the occasion of the 17th anniversary of the proclamation of the Jamahiriya in Libya.

President Kim Il-song in the message wished him and his people greater success in their efforts to defend the sovereignty and dignity of the country and build a prosperous new society.

He expressed the belief that the friendly and cooperative relations between the two countries would grow stronger and develop.

Moroccan King Sent Greetings

SK0303063594 Pyongyang KCNA in English 0407 GMT 3 Mar 94

[Text] Pyongyang, March 2 (KCNA)—President Kim Il-song of the Democratic People's Republic of Korea today sent a message of greetings to Hassan the second, king of Morocco, on the occasion of the national day of the Kingdom of Morocco.

President Kim Il-song wished the king and people of Morocco greater achievements in the work for building a prosperous Morocco.

He expressed the belief that the friendly relations between the two countries would develop on good terms.

Foreign Media Carry Kim Chong-il's Biography

SK0103102094 Pyongyang KCNA in English 1000 GMT 1 Mar 94

[Text] Pyongyang, March 1 (KCNA)—Brief biography of the dear leader Comrade Kim Chong-il was carried by the Russian papers PATRIOT, ISTOKI and GLASNOSTI, the Bangladesh papers BANGLA BANI and SANGBAD, the Nigerian paper THE REPUBLIC, the Indian papers WORUM and TAMAKA DARBAR, the Ethiopian paper MONITOR, the Nepalese paper NEPAL POST and Palestinean magazine PALESTINE AL THURA.

The brief biography was also carried by the Indian paper SHATABDI MAIL.

Foreign Minister Sends Greetings to Burundi

SK0203105994 Pyongyang KCNA in English 1016 GMT 2 Mar 94

[Text] Pyongyang, March 2 (KCNA)—Foreign Minister Kim Yong- nam sent a message of greetings to Jean-Marie Ngendahayo upon his appointment as minister of State for External Relations and Cooperation of Burundi.

Expressing the belief that the friendly relations between the two countries would continue to develop on good terms, the message wished the state minister success in his responsible work.

Agricultural Conference Reportage Continues

Kim Il-song 'Welcomed' in Hall

SK0103111394 Pyongyang KCNA in English 1037 GMT 1 Mar 94

[Text] Pyongyang, March 1 (KCNA)—The great leader President Kim Il-song today had a picture taken with the participants in the National Agricultural Conference.

When President Kim Il-song appeared in the picture-taking hall, the participants enthusiastically welcomed him, raising stormy cheers of "hurrah!"

He was presented with a basket of flowers carrying boundless reverence and loyalty of the entire agricultural working people.

Present there were O Chin-u, member of the presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK] and minister of People's Armed Forces; Kang Song-san, member of the Political Bureau of the WPK Central Committee and premier of the Administration Council; Yi Chong-ok, Pak Song-chol and Kim Yong-chu, members of the Political Bureau of the WPK Central Committee and vice-presidents; and other cadres of the party and the state.

President Kim Il-song highly estimated the great feats in labour performed by the participants in the National Agricultural Conference in the fulfilment of the tasks set by the socialist rural theses over the past three decades, holding the leadership of the party with loyalty, and posed for a photograph with them.

Officials Watch Awards Ceremony

SK0303050694 Pyongyang Korean Central Broadcasting Network in Korean 2100 GMT 1 Mar 94

[Excerpts] A ceremony was held at the 8 February Hall of Culture on 1 March to award state commendations and gifts to the participants of the National Agricultural Conference. [passage omitted]

Present at the ceremony were Comrade Kang Song-san, member of the Political Bureau of the Workers Party of Korea [WPK] Central Committee and premier of the State Administration Council [SAC]; Comrade Yi Chong-ok, member of the Political Bureau of the WPK Central Committee and vice president; Comrade Kye Ung-tae, member of the Political Bureau of the WPK Central Committee and secretary of the party Central Committee; Comrade So Yun-sok, member of the Political Bureau of the WPK Central Committee and responsible secretary of the South Pyongan Provincial party Committee as well as chairman of the South Pyongan Provincial People's Committee; Comrade Hong Song-nam, candidate member of the Political Bureau of the WPK Central Committee and vice premier of the SAC; Comrade Yon Hyong-muk, candidate member of the Political Bureau of the WPK Central Committee and responsible secretary of the Chagang Provincial party Committee as well as the Chagang Provincial People's Committee; Comrades Kim Chung-nin and So Kwan-hui, secretaries of the WPK Central Committee; Comrades Kim Yun-hyok, Kim Hwan, and Chang Chol, vice premiers of the SAC; functionaries of sectors concerned; and the participants of the National Agricultural Conference. [passage omitted]

Kim Chong-il Sends Birthday Tables

SK0303070794 Pyongyang KCNA in English 0448 GMT 3 Mar 94

[Text] Pyongyang, March 3 (KCNA)—The dear leader Comrade Kim Chong-il sent birthday tables including 60th birthday tables to participants in the national agricultural conference.

The benevolent birthday tables were conveyed on March 2 to 339 people, including farmers, veteran party workers, management officials and young men and women from different rural communities who had performed feats in their efforts to implement the socialist rural theses with unfailing loyalty to the party and the leader.

Upon receiving the birthday tables, they expressed their resolve to honorably fulfil their obligations as agricultural working people in charge of the granary of the country and staunchly struggle for the ultimate solution of the socialist rural question and for the accomplishment of the revolutionary cause of chuche.

Officials Watch Mass Gymnastics Display on 2 Mar

SK0303041294 Pyongyang Korean Central Broadcasting Network in Korean 1200 GMT 2 Mar 94

[Excerpts] Mass gymnastics entitled "Great Victory of the Rural Theses" were performed by 10,000 youth and students at Pyongyang Gymnasium on 2 March, celebrating the 30th anniversary of the publication of the theses on our country's socialist rural problems.

Comrade Kim Il-song, great leader of our party and our people, entered the presidential rostrum while welcoming music was being played. [passage omitted]

The mass gymnastics were seen by Comrade O Chin-u, member of the Presidium of the Workers Party of Korea [WPK] Central Committee Political Bureau and minister of the People's Armed Forces; Comrade Kang Song-san, member of the Political Bureau of the WPK Central Committee and premier of the State Administration Council [SAC]; Comrades Yi Chong-ok, Pak Song-chol, and Kim Yong-chu, members of the Political Bureau of the WPK Central Committee and vice premiers; Comrades Kye Ung-tae and Han Song-yong, members of the Political Bureau of the WPK Central Committee and secretaries of the party Central Committee; Comrade So Yun-sok, member of the Political Bureau of the WPK Central Committee and responsible secretary of the South Pyongan Provincial party Committee as well as chairman of the South Pyongan Provincial People's Committee; Comrade Choe Tae-pok, candidate member of the WPK Central Committee and secretary of the party Central Committee; Comrades Choe Yong-nim and Hong Song-nam, candidate members of the Political Bureau of the WPK Central Committee and vice premiers of the SAC; Comrade Yang Hyong-sop, candidate member of the Political Bureau of the WPK Central Committee and chairman of the Supreme People's Assembly; Comrade Hong Sok-hyong, candidate member of the Political Bureau of the WPK Central Committee and chairman of the State Planning Committee; Comrade Yon Hyong-muk, candidate member of the Political Bureau of the WPK Central Committee and responsible secretary of the Chagang Provincial party Committee as well as chairman of the Chagang Provincial People's Committee; Comrades Kim Chung-nin, So Kwan-hui and Kim Ki-nam, secretaries of the WPK Central Committee; Comrades Kim Pok-sin, Kim Chang-chu, Kim Yun-Hyok, Kim Hwan and Chang Chol, vice premiers of the SAC; Comrade Chon Mun-sop, chairman of the State Inspection Commission of the People's Central Committee [CPC]; Comrade Yun Ki-pok, chairman of the CPC Economic Policy Commission; Comrade Pak Nam-ki, chairman of the Pyongyang Municipal Administrative and Economic Committee; Yu Mi-yong, chairwoman of the Chondoist Chongu Party Central Committee; functionaries of local party, administrative, and economic organizations; and participants of the National Agricultural Conference. [passage omitted]

Kim Il-song Attends Display

SK0303064294 Pyongyang KCNA in English 0414 GMT 3 Mar 94

[Text] Pyongyang, March 2 (KCNA)—The mass gymnastic display "Great Victory of the Rural Theses" performed by 10,000 students and school children took place at the Pyongyang indoor stadium today on the occasion of the 30th anniversary of the publication of "Theses on the Socialist Rural Question in Our Country."

The stadium was gorgeously decorated with letters "1964-1994" and "celebration of 30th anniversary," pictures depicting rich harvests and illumination.

When the great leader President Kim Il-song appeared in the box amid the welcome music, enthusiastic cheers of "hurrah!" and thunderous applause resounded through the stadium.

Kimilsongia and Kimchongilia and letters "Glory to You," "Agriculture Is the Great Foundation of the Country" and "Celebration of the 30th Anniversary of the Socialist Rural Theses" appeared on the background and waves of flowers rolled on the floor.

Watching the performance were member of the presidium of the Political Bureau of the Central Committee [C.C.] of the Workers' Party of Korea [WPK] and Minister of People's Armed Forces O Chin-u, Politburo member of the C.C., the WPK and Premier of the Administration Council Kang Song-san, Politburo members of the C.C., the WPK and Vice-presidents Yi Chong-ok, Pak Song-chol and Kim Yong-chu and other party and state officials and the participants in the national agricultural conference.

The display successfully showed on great epic canvases the imperishable feats performed by President Kim Il-song, who published a unique, great programme of socialist rural construction and set an example of the century in the solution to the rural question to build a prospering socialist countryside in this land and the happiness of the Korean agricultural working people, who are enjoying an independent and creative life thanks to the rural theses.

It also demonstrated the unshakable will of our agricultural working people and all other people to finally solve the rural question and hasten the complete victory of socialism by remaining loyal to the party's leadership and thoroughly carrying out the tasks set by President Kim Il-song in his letter to the national agricultural conference.

The performance made up of gymnastics, gymnastic dances, acrobatics and slide-background was acclaimed by the audience for its high ideological and artistic value and high technique, organization and discipline.

President Kim Il-song congratulated the performers on their successful performance and waved to the cheering crowd.

Minister of Mining Industry Replaced 2 Mar

SK0303114294 Pyongyang Korean Central Broadcasting Network in Korean 1100 GMT 3 Mar 94

[Text] A decree of the DPRK Central People's Committee [CPC] on dismissal and appointment of a minister of the DPRK State Administration Council:

The DPRK CPC decides as follows:

Comrade Kim Pil-hwan has been relieved from his post of minister of mining industry of the State Administration Council and Comrade Kim Pyong-kil has been appointed as minister of mining industry of the State Administration Council.

DPRK President Kim Il-song
2 March 1994, Pyongyang

Industry Production Achievements Enumerated

SK0303064694 Pyongyang KCNA in English 0422 GMT 3 Mar 94

[Text] Pyongyang, March 3 (KCNA)—Production is moving upward in different sectors of the national economy of Korea.

The Yongsong combined general bureau of machines overfulfilled its January and February plans and is keeping a high rate of production in March.

The Musan mining complex, a leading producer of iron headings, beat its February target at 100.1 percent and fulfilled the first-day quota of March at 120 percent.

The Sunchon district coal mining complex overfulfilled its February plan and is now carrying out its daily assignments at 110 percent.

The Kim Chong-tae general electric locomotive enterprise has brought the production of electric locomotives and passenger coaches to an all-time high.

The Pyongyang spinning mill and other spinning mills topped the February goal of silk yarn 20 percent, greatly helping the Pakchon, Yongbyon and Palwon silk mills boost production.

The February plans were overfulfilled by the March 17 general hydro-power enterprise, the October 5 general automation works, the Yanggang Provincial combined general bureau of forestry and many other units, which are now expanding the achievements in March.

South Korea

N-S Talks Resume After Four-Month Break

Contact Held 3 Mar

SK0303012994 Seoul YONHAP in English 0114 GMT 3 Mar 94

[Text] Panmunjom, March 3 (YONHAP)—South and North Korea met at the truce village of Panmunjom Thursday after a four-month break to discuss procedures for the proposed exchange of special envoys to resolve the North Korean nuclear question and other pending inter-Korean issues.

The fourth working-level contact, held at "peace house" on the southern side of the demilitarized zone, was attended by Song Yong-tae, chief South Korean delegate, and his North Korean counterpart, Pak Yong-su.

The two sides are meeting at Panmunjom to determine the date and agenda for the exchange of special envoys. The envoy exchange between the two Koreas was one of the conditions set in the U.S.-North Korean agreement worked out at their working-level contact in New York.

Pyongyang must resume dialogue with Seoul if it wants to hold a third round of high-level talks with the United States, tentatively slated for March 21 in Geneva.

With the meeting, Seoul is expected to announce the suspension of the joint U.S.-South Korean military exercise Team Spirit on condition that practical discussion toward the resolution of the North Korean nuclear question will be undertaken through the exchange of special envoys between South and North Korea.

Radio Says No Progress Made

SK0303044694 Seoul KBS-1 Radio Network in Korean 0400 GMT 3 Mar 94

[Text] According to a report from Panmunjom by reporters Kim Chong-chin and Kim Chong-ki, North and South Korea started a working-level contact at 1000 today at the House of Peace, on our side of Panmunjom, to discuss procedures for the exchange of special envoys. However, no progress has been made at the contact because North Korea again insisted on preconditions for the working-level contact. As a result, North and South Korea agreed to hold a fourth working-level contact on 9 March at Tongilgak, on the North Korean side of Panmunjom.

In today's contact, both sides delivered key addresses only. They could not enter into discussions on procedural matters.

However, the sides reportedly agreed in principle to exchange special envoys of top leaders at the earliest possible date.

In his keynote speech, Song Yong-tae, our side's senior delegate, presented a revised letter of agreement on the exchange of special envoys. The revised agreement stipulates the handling of the nuclear issue by special envoys, the implementation of the North-South basic agreement, North-South summit talks, and reunification.

Our side presented this revised agreement after accepting North Korea's proposal that the missions of special envoys be specified. Our side had previously insisted that no special mission be stipulated. Regarding the method of envoy exchange, our side demanded that our side's special envoy be allowed to first visit Pyongyang, and said that if the North is willing, our side is willing to be flexible.

However, contrary to our expectations, the North side again put forward in its keynote speech the preconditions for working-level contacts which it had previously asserted, including the suspension of the international cooperative system and so forth. Thus, there was no practical discussion on the issue of special envoy exchange.

Outcome of Contact Noted

SK0303060194 Seoul YONHAP in English 0554 GMT 3 Mar 94

[Text] Panmunjom, March 3 (YONHAP)—South and North Korea resumed their dialogue for the first time in four months Thursday but ended their meeting without reaching any substantial agreement on the exchange of special envoys to help resolve the North Korean nuclear issue.

The two sides, however, agreed to meet again at 10 AM next Wednesday at Tongil-gak on the northern side of the demilitarized [zone] in the truce village of Panmunjom.

The delegates to the fourth working-level inter-Korean contact could not even take up the problems related to the exchange of special envoys when North Korea demanded that they first discuss two new issues.

North Korea demanded that South Korea stop trying to deploy Patriot anti-missile missile and clarify recent remarks by South Korean President Kim Yong-sam.

The southern delegation, led by Song Yong-tae, vice minister of the National Unification Board, proposed at the meeting a 13-point agenda for discussions including the implementation of the delcaration on the denuclearization of the Korean peninsula and the inter-Korean basic accords and a summit between President Kim and North Korean President Kim Il-song.

Thursday's meeting ended a few hours after the South Korean Defense Ministry announced a conditional suspension of the joint U.S.-South Korean military exercise "Team Spirit" in Seoul.

South Korea and the United States have agreed to suspend the military exercise on condition that Pyongyang resume dialogue with Seoul for the exchange of special envoys to discuss issues including the North Korean nuclear question.

"The southern side tabled a revised draft of the proposal for the exchange of special envoys to help resolve the nuclear issue and other measures to improve inter-Korean relations," Song said after the meeting.

"But we could not make any progress in discussions for the exchange of envoys since North Korea raised four conditions," Song said.

In addition to the two new demands, North Korea wanted South Korea to scrap the Team Spirit exercise and stop participating in an international campaign against North Korea. The two sides are expected to take up the question of exchanging special envoys at the next meeting on Wednesday, sources asid.

In his opening statement, the South Korean chief delegate stressed that South and North Korea will have to exchange their special envoys before North Korea could hold a third round of high-level talks with the United States, which is tentatively slated for March 21 in Vienna.

The special envoys have to be exchanged as soon as possible so that the two Koreas could solve the nuclear problem as well as other pending inter-Korean issues, Song said.

Shortly before the meeting started at "Peace House" on the southern side of the demilitarized zone, Song met with the northern delegates and shook hands with them. He then noted that the inter-Korean contact was suspended in October last year "when the winter began to set in."

"As we are meeting you here again today, we feel like we are waking up from a long hibernation," Song told the northern delegation led by his counterpart, Pak Yong-su.

"I hope that the inter-Korean relations will also wake up from a long winter sleep and spring arrives in Panmunjom," Song added.

The North Korean chief delegate deplored that "we wasted a whole season since we met each other last fall when grains were ripe for harvest."

"Let us try to clear up problems for the exchange of special envoys within today," Pak said.

'Spiked Words' Reportedly Exchanged

SK0303100894 Seoul YONHAP in English 0550 GMT 3 Mar 94

[Text] Panmunjom, March 3 (YONHAP)—South and North Korean officials were still high-strung despite their reencounter Thursday after a four-month break.

Seoul's top representative Song Yong-tae compared the break to winter hibernation, hoping that inter-Korean relations would wake up from winter sleep.

Song's North Korean counterpart Pak Yong-su chided they wasted one whole season and called for successful conclusion of their negotiations within the day.

—Spiked words were exchanged even before the two sides sat down for the negotiations.

Pak make the first strike after pointing to Song's big briefcase. "I only brought a small envelope containing a draft agreement because I am intent on reaching an agreement today," said Pak, "But I see that you brought a big briefcase and obviously have a lot to say about this and that."

Song laughed it off, saying he brought the briefcase to take home the presents since it's Pak's turn to give the gifts.

—A remark on how Seoul is celebrating its 600th birthday immediately met retaliation from Pyongyang who recognizes Koryo Dynasty as the first unified Korea.

Song explained how Seoul was trying to restore Kyongbuk Palace by 1997 to celebrate the 600th anniversary and is preparing for the visit Korea year. He went on to say how he wants to see foreign tourists travel back and forth between the two sides.

Pak immediately retaliated Song's historical perspective. He described how his country completed reconstructing the tomb of King Wangkon, the founder of Koryo Dynasty last January to mark his 1,117th birthday.

He named Wangkon as the first king of a unified nation as he emphasized the historical surroundings linking Koryo to North Korea.

—Song changed the subject to just-ended Lillehammer Winter Olympics, reminding how the Seoul team won a record-breaking number of medals and saying he was sorry to hear North Korea could not field its athletes due to injury.

He indirectly hinted how an inter-Korean unified team would do so much better at international games and urged North Korea to open to various exchanges.

Song replied everything will go well once the two sides exchange presidential envoys.

—Top interest among North Korean journalists was apparently who Seoul will pick as its envoy.

Many asked if the Southern side already decided who is to be sent as the envoy while hinting that Pyongyang may choose between Kim Yong-sun, party secretary for South Korean Affairs, and Vice President Kim Yong-chu.

Chief Delegate Cited on Contact

SK0303104594 Seoul YONHAP in English 1033 GMT 3 Mar 94

[Text] Seoul, Mar. 3 (YONHAP)—Vice Unification Minister Song Yong-tae, who represented the South at Thursday's South-North contact at Panmunjom, said later in the day he could not predict the prospects of future South-North talks.

"At the moment, I cannot be optimistic or pessimistic about the future of the contact," Song said upon return to Seoul from the truce village.

While explaining about the talks he just had with the North before a group of reporters, Song said North Korea unreasonably raised two new issues in addition to their oft-repeated demands for the suspension of "nuclear war games" and the South's renouncement of its international cooperative system over the nuclear question.

The vice minister said it is ridiculous for North Korea to dispute the issue of purely defensive Patriot missiles while they themselves test-fired "Nodong-1" missiles.

President Kim Yong-sam's remarks which North Korea disputed were a justifiable statement under the then circumstances.

"North Korea seems trying to engineer the projected exchange of special envoys in a direction favorable to them while delaying the talks on the strength of their new demands," he said.

Song said that it seems at the moment North Korea is less interested in the exchange of special envoys.

But, there may be a last-minute aboutface on the part of North Korea as they are well aware that the third-round U.S.-North Korea high-level talks could take place on March 21 only after special envoys were exchanged between the two Koreas, Song said.

ROK To Ask DPRK To Co-Host 2002 World Cup

SK0303054494 Seoul YONHAP in English 0250 GMT 3 Mar 94

[Text] Seoul, March 3 (YONHAP)—As inter-Korean contact resumed on Thursday, Seoul was set to begin preparations for a bid to co-host the 2002 World Cup soccer tournament along with Pyongyang, government officials said. The South decided earlier to propose to the North that they jointly apply to host the World Cup, but has not yet conveyed its intention because of their frozen relations resulting from the North Korean nuclear problem. South and North Korea on Thursday met at the truce village of Panmunjom for a working-level contact on exchanging special envoys.

As soon as South Korea succeeded in qualifying for its third consecutive World Cup last October—a first in Asia—it launched a full-fledged drive to host the 2002 soccer World Cup.

The preparatory committee seeking to host the World Cup tournament plans to contact several international sports organizations including FIFA, soccer's world governing body, and the International Olympic Committee (IOC) to ask them to help South and North Korea win the right.

The government also plans to propose the creation of a unified Korean team for this year's Hiroshima Asian Games slated for October, and resumption of the unification soccer matches between South and North Korea, when full-fledged inter-Korean talks begin.

IAEA Inspection of DPRK Sites Begins 3 Mar

OW0303135394 Tokyo KYODO in English 1339 GMT 3 Mar 94

[Text] Vienna, March 3 KYODO—A seven-member team began Thursday [3 March] inspecting North Korea's nuclear facilities, a spokesman for the International Atomic Energy Agency (IAEA) said. The inspection of seven declared facilities will last through March 15, the spokesman said. The IAEA inspection team arrived in Pyongyang on Tuesday. The inspections followed an agreement reached by the United States and North Korea last Friday at a working-level meeting in New York that Pyongyang fully implement IAEA inspections of its seven declared nuclear plants.

President on Nuclear Issue, Meeting Kim Il-song

SK0303145894 Seoul KBS-1 Television Network in Korean 1100 GMT 3 Mar 94

["Exclusive interview" with President Kim Yong-sam by KBS anchorman Yi Yun-song at Chongwadae, the presidential residence, on the 21st anniversary of the founding of KBS, on 3 March—recorded]

[Excerpt] [passage omitted] [Yi Yun-song] The greatest pending foreign policy issue is the inspection of the North Korean nuclear facilities. The North Korean nuclear issue is a problem which we are directly concerned with, and it is a difficult problem to solve for the world as a whole. Fortunately, the International Atomic Energy Agency [IAEA] inspection team has entered Pyongyang to conduct official inspections. In Panmunjom, a working contact is being held for the exchange of special envoys. How do you think this problem will be solved? If it is not solved, what measure do you think will be necessary?

[President Kim Yong-sam] The North Korean nuclear program should be stopped by all means. This is necessary not only for the survival of the 70 million fellow countrymen but for peace in Northeast Asia and the world. This is a problem directly connected with our survival and for peace on the Korean peninsula. Therefore, I think we should mobilize all means possible to solve this problem.

Fortunately, the IAEA inspection has started. The working contact for the exchange of special envoys is being held. We cannot be too optimistic at this stage, for we have undergone numerous critical stages in our relations with North Korea. We cannot expect that everything will be settled smoothly. We will have to overcome some more critical points. However, now that North Korea is permitting the nuclear inspection, the so-called nuclear card has left the North Korean hand. I think the inter-Korean dialogue, therefore, has to make considerable progress. The United States has promised us that it will not hold the third round of high-level talks with North Korea unless there is significant progress in the exchange of special envoys. North Korea has also officially announced it will do so.

What is most important at the present stage is that we are handling every matter in close cooperation with the United States. The United States has always consulted us on their contacts with North Korea. At times, the United States even halted the talks with North Korea to have time to discuss matters with us.

I think what is most important to the ROK is maintaining such a close cooperative system with the United States. If the exchange of special envoys and inter-Korean dialogues proceed as we intend and North Korea's nuclear development program is hindered, we could promote relations with North Korea in various areas, including the economic sector.

I think North Korea should acknowledge the fact that the ROK is in a position to actively help it improve relations with the United States. It would be foolish of North Korea to think that it can discuss this issue without the ROK.

[Yi] In a recent news conference, you said that the precondition for the exchange of special envoys is holding a summit. You even said that you would meet with the North Korean president when you believed it conducive to keeping North Korea from developing nuclear weapons. When do you think it will take place?

[Kim] It is hard to predict now. I will have to judge the timing by watching the development for the exchange of special envoys. [passage omitted]

U.S. Official Apologizes for Remark on Law

SK0303025494 Seoul YONHAP in English 0242 GMT 3 Mar 94

[Text] Seoul, March 3 (YONHAP)—The U.S. official who caused a sensation in Seoul with his comments on South Korea needing to abolish its national security law, explained that he was stating his personal opinion and not that of his government, the Foreign Ministry said Thursday.

U.S. Deputy Assistant Secretary of State Tom Hubbard met with South Korean Embassy officials in Washington and explained he was commenting on basics while talking about overall South Korean-U.S. relations, Assistant Foreign Minister Choe Tong-chin told reporters. Hubbard was quoted as saying he is sorry about the controversy generated by his misstated expression of a sensitive problem. He also told South Korean officials he understands the extraordinary circumstances surrounding Korea, Choe said.

During a seminar held Feb. 25 at American University, Hubbard said South Korea and the United States differ on "how to respond on some regional and global issues."

"And despite heartwarming success in establishing democracy and marked improvement on the human rights front—or perhaps because of them—the United States still wishes the Republic of Korea would repeal the national security law," Hubbard said.

The incident created an immediate commotion here because Hubbard is the chief working-level U.S. negotiator with North Korea. Initial speculation went that the issue was raised during the recent North Korean-U.S. talks led by Hubbard.

South Korea's national security law prohibits any unauthorized contact with North Korea and any public statements or acts sympathetic to the North Korean regime.

U.S. Ambassador to Seoul James Laney called Foreign Minister Han Sung-chu Wednesday night to supply an explanation as well, Choe said.

DLP Comments on U.S. Statement

SK0303052294 Seoul YONHAP in English 0433 GMT 3 Mar 94

[Text] Seoul, March 3 (YONHAP)—The ruling Democratic Liberal Party on Thursday refuted a U.S. State Department statement confirming Deputy Assistant Secretary of State for East Asia and the Pacific Tom Hubbard's recent remarks calling on Seoul to repeal its National Security Law as the official U.S. position.

Emerging from a staff meeting presided over by Chairman Kim Chong-pil, Party Spokesman Ha Sunpong issued a statment rebuking the U.S. State Department statement.

Noting that the National Security Law's abolition has been one of North Korea's consistent demands, Ha said the question of repealing this law must be dealt with carefully because North Korea has not yet guaranteed the transparency of its nuclear program and because the North's military threat still exists.

Chairman Kim said, "I don't think Deputy Assistant Secretary of State Hubbard made such remarks with any knowledge about North Korean laws... I can't understand why he raised such a sensitive issue at this point of time."

Secretary-General Mun Chong-su called Hubbard's remarks "an intervention of domestic affairs" and criticized the opposition party for its support of the comments.

Chief Policy-maker Yi Se-ki supported Mun, saying the opposition party should take a stand against such remarks.

Ministry Announces Suspension of 'Team Spirit'

SK0303020694 Seoul YONHAP in English 0155 GMT 3 Mar 94

[Text] Seoul, March 3 (YONHAP)—The South Korean Government announced conditional suspension of this year's "Team Spirit," the annual joint South Korean-U.S. military exercise, on Thursday morning.

The Defense Ministry said in the announcement that, in view of recent progress on the North Korean nuclear problem, South Korea and the United States have agreed on Team Spirit '94's conditional suspension.

"In view of this progress, the governments of the Republic of Korea and the United States have decided to suspend Team Spirit '94 with the expectation that the IAEA [International Atomic Energy Agency] inspection of the North Korean nuclear facilities will be successfully concluded and that practical discussion toward the resolution of the North Korean nuclear question will be undertaken through the exchange of special envoys between South and North Korea," the statement said.

"If the above steps are not fulfilled," it continued, "the governments of the Republic of Korea and the United States will reconsider the decision to suspend Team Spirit '94."

After the announcement, a ministry spokesman explained some of its terms.

"It's fundamentally up to the IAEA to judge if the inspection has been successfully concluded. We think every inspection activity of the IAEA inspection team should be carried out without any restrictions and the results of the inspection should be understandable to the IAEA as well as to the international community."

Last Saturday, Pyongyang told Washington it would allow unrestricted IAEA access to seven declared facilities and accept Seoul's proposal to hold working-level talks on exchanging presidential envoys.

In return, Washington was to suspend this year's Team Spirit and conduct high-level talks with North Korea later this month.

At the beginning of the announcement, the government judged that progress has been made on the nuclear issue.

"Recently, progress has been achieved on the North Korean nuclear question, as North Korea has agreed to accept the inspection activities which were requested by the IAEA of the seven declared nuclear facilities. North

Korea has also agreed to reopen working-level contacts in order to discuss the exchange of special envoys between South and North Korea."

Meanwhile, Defense Ministry officials explained that the government suspended Team Spirit because IAEA inspections of North Korean nuclear facilities began on Thursday and inter-Korean contact on exchanging special envoys has resumed.

The South Korean Government was to announce the suspension of the military exercise Tuesday afternoon on condition that North Korea cooperated with the IAEA nuclear inspections and agreed to hold the working-level contact on envoy exchanges Tuesday.

But since Pyongyang postponed the contact until Thursday, Seoul also delayed announcement of the military maneuvers' suspension.

U.S., ROK Steps To Solve Nuclear Issue Analyzed

SK0303025794 Seoul YONHAP in English 0237 GMT 3 Mar 94

[By Yi Tong-min]

[Text] Seoul, March 3 (YONHAP)—South Korea and the United States took bold steps Thursday in trying to solve the North Korean nuclear problem that have to be appreciated more for their overall principles than their details. As agreed last week after exhaustive negotiations between North Korea and the United States, Seoul announced suspension of this year's "Team Spirit," the joint military exercise with Washington held annually since 1976. Washington is to follow up with the announcement of a March 21 meeting with North Korean officials in Geneva, the third round of high-level dialogue, wrapping up a small package deal in a first-phase resolution of the nuclear problem.

Foreign Minister Han Sung-chu labeled these announcements as steps "enabling thorough inspections in North Korea, preventing a threatening situation and allowing room for a solution through dialogue." But he admitted to shortfalls in details that outwardly show Pyongyang holding more marbles after the game. "But let's look at the forest, not each tree. There are more optimistic aspects than negative ones," Han said.

As things stood Thursday, the decision on Team Spirit's suspension and North Korea-U.S. high-level talks was conditional. Pyongyang must allow unrestricted access to the International Atomic Energy Agency (IAEA) inspection team. It also has to exchange presidential envoys with Seoul. The former condition is likely to be met easily. South Korean officials expect the latter to be fulfilled in one form or another.

Pyongyang doesn't come right out and say it, but it fully understands that the envoy exchange is an absolute prerequisite to the March 21 meeting with Washington, Seoul officials insist. But their explanations hardly allay concerns that North Korea is succeeding in isolating South Korea from the nuclear negotiations.

A high-level official in Seoul admitted that realistically, there wasn't enough time for both sides' envoys to make the visits. Seoul is thinking of sending its representative to Pyongyang first, around March 15, which may have to suffice for the demand on envoy exchanges, according to this official. Shortfalls in such small but significant items serve as bases to claims of failure in microscopics. But as the foreign minister says, looking at the big picture, the nuclear stalemate has turned back from the brink and is heading in the right direction. All concerned parties—South Korea, North Korea and the United States—will all keep on negotiating. Meanwhile, the more immediate task of nuclear inspections in North Korea can continue.

Although pessimism lingers on the viability of the inter-Korean envoy exchange, officials here point the finger at Pyongyang for refusing to accept it. "Once the envoys do meet, they cannot but discuss inter-Korean matters," said Han in sounding a note of optimism. Besides, officials here reason, to break off the negotiations over differences on the envoy issue would be a serious setback for all concerned. There would be no IAEA inspections, no more diplomatic dialogue. One official goes as far as saying that "if there can't be a meaningful inter-Korean dialogue anyway, then it's better to at least secure IAEA inspections."

Deng Said To Issue Directive on North Korea

SK0303031594 Seoul KYONGHYANG SINMUN in Korean 3 Mar 94 p 2

[Seoul—KYODO/YONHAP]

[Text] Deng Xiaoping, the supreme leader of China, handed out a directive to policy makers in China to fully support the North Korean economic reform policy and to help realize North Korean President Kim Il-song's visit to China. This was revealed by a diplomatic source in Seoul on 2 March.

The source said that Deng Xiapoing handed out such a directive after hearing the report on North Korean affairs from Ding Guanggen, member of the Chinese Communist Party Political Bureau.

Ding held talks with Hwang Chang-yop, secretary of the North Korean Workers Party Central Committee and chairman of the Foreign Affairs Committee in the Supreme People's Assembly, who headed a five-member delegation's visit to China last January.

Hwang Chang-yop stayed in China from 15 to 23 January. During his stay, he met with Chinese leaders and discussed North Korean economic policies and the issue of President Kim's visit to China.

* Threat of DPRK Nuclear Development Examined

942C0065A Seoul PUKHAN in Korean No 264, Dec 93 pp 58-61

[Article by Korean Military Academy professor On Man-kun]

[Excerpts] [Passage omitted] In this article, we will examine North Korean [DPRK] nuclear development, the reality of our society—rampant with indifference and optimism concerning the DPRK threat—and the background of this reality. Through the present state of the DPRK's development of weapons of mass destruction, to include nuclear weapons, we will examine the DPRK's intentions, the extent of its threat to us, and our posture concerning this threat.

First, we will consider the optimistic view of DPRK nuclear development and discover where it originates. In some sectors of our society today, a view of the DPRK is gaining acceptance which is not easy to refute. According to this view, as one of the poorest nations in the world, there is little reason at present for concern over the DPRK's war-fighting capability and intentions, and even if it is actually attempting to develop nuclear weapons, this is only to maintain the DPRK system and make diplomatic gains, not for military use.

As a basis for this viewpoint, we can point to the DPRK's weak economic and military capability and its diplomatic isolation, as seen through various indicators. With its switch from barter trade to hard-currency settlements due to a change in its trade relations with the Soviet Union and China, the DPRK's economic situation has daily grown worse. The state of its economy is so serious that it has recorded continued negative growth for the past several years. DPRK food shortages are an already well-known fact. The present DPRK GNP, at a little above $20 billion, is one-fifteenth of South Korea's [ROK]. At about $1,000, its per capita income is about one-seventh of ROK's (See "North Korean Abstract" [Pukhan Kaeyo], 1993: *North and South Korean Social and Cultural Indicators* [*Nambukhan Sahoe Munhwa Chipyo*], Unification Board, 1992).

Weapons possessed by the DPRK are out of date and it also lags behind in technology. Although superior in numbers, when consideration is given to quality, its military capability cannot be said to surpass that of ROK, it is argued. Furthermore, its traditional allies, including the Soviet Union, having disappeared with the collapse of the communist bloc, there is now no longer any nation to actively support the DPRK. Because of this, the argument goes, it is unthinkable that the DPRK would start a conflict as it did the Korea war (quoted from O Kwan-chi, *Korea Forum [Hanguk Nondan]*, December 1993). It is a fact that the DPRK is in an economic slump, that much of its weaponry and equipment is outdated, and that it is diplomatically isolated. With such a reasonable foundation, some aspects of our society's indifference and optimism concerning DPRK war-fighting capability and nuclear development appear convincing.

Where can we find the source of this attitude, which ranges from indifference to optimism? Influential views on DPRK nuclear development are divided largely into two categories. The first is the position that the DPRK's nuclear development is ultimately to enhance war-fighting capability by developing nuclear weapons. The second is the opinion that the DPRK is using the nuclear issue as a political and diplomatic lever, for political negotiations whose objective is normalized relations with the United States and Japan, discontinuance of Team Spirit exercises, the withdrawal of U.S. forces from the ROK, removal of the U.S. nuclear umbrella over the ROK, and elimination of nuclear threats to the DPRK. Of the two views on DPRK nuclear development, optimists seem to particularly accept the latter. Also reinforcing the optimistic position is the undeniable fact that several statesmen in the past have frequently used security issues as a means for maintaining power. In the past, when political instability had deepened, incidents involving DPRK spy rings or military provocation were opportunely reported. As a result, people grew to distrust or be indifferent toward official government announcements or opinions on the DPRK threat or national security. This is also the background reinforcing public indifference toward the DPRK nuclear issue.

Then, is DPRK war-fighting capability weak and its nuclear development only for achieving political and diplomatic objectives? To obtain the answer to this, we will examine its strategy toward the South, its military capabilities, and in particular, its chemical and biological weapons and nuclear program.

To overcome recent economic difficulties, the DPRK has opened up some areas and is promoting the introduction of foreign capital and technology. It is also trying to break through its international isolation and economic crisis by establishing diplomatic relations with advanced countries. One thing that has not changed despite this is its unification strategy toward the South. An overall analysis of the DPRK's unification-related strategy would be that the DPRK is sticking to its line, "revolution in South Korea first, unification of the fatherland second." As always, the ROK is a land to be liberated and the ROK Government is an object to be toppled. The reasons the DPRK is adhering to its unification strategy despite its various difficulties are that it has used this to encourage its people and that it has been the foundation making preservation of the regime possible.

Military capability is an absolutely necessary precondition for liberating the ROK. The DPRK is an armed camp with the military making up 4 percent (10.1 million) of the total population. If reserve forces are included, it has the largest per capita armed force in the world (6 million of a total 230 million). After 1960, military spending made up over 30 percent of the DPRK national budget. It continued this way for some time, but then was suddenly reduced. This is because it is concealing military spending under other items. At present, actual military spending is estimated to be at the 30-percent level ($5.6 billion of $18.5 billion) (Unification Board, 1993).

More important is the fact that, as a result of its persistent development of chemical and biological weapons since the 1960's, the DPRK has the third-largest stockpile of chemical and biological weapons in the world. At Sariwon and other locations, the DPRK stores chemical weapons made of blister agents, nerve agents, and asphyxiating agents, and strong bacteriological weapons that use the infectious bacteria of cholera, bubonic plague, and anthrax. Eclipsed by the nuclear problem, these chemical and biological weapons have not become a diplomatic issue, but their danger is actually tremendous. Bacteriological weapons in particular are dangerous, so dangerous, that one kilogram could incapacitate the whole population of the ROK (DONGA ILBO, 1 November 1992). Even in its economic slump, the DPRK appears to be using chemical and biological weapons as an important card, along with nuclear weapons. This is because it can manufacture them, because they have a great killing and wounding effect, and because evidence of them is easily destroyed.

According to the 1993-1994 *National Defense White Paper [Kukbang Paekso]*, the DPRK is at the stage immediately before the development of nuclear weapons: It already has nuclear reprocessing facilities and has completed detonator testing. The reasons the DPRK rejoined the nuclear Non-Proliferation Treaty and refused special nuclear inspection by the IAEA [International Atomic Energy Agency], it is judged, is that it is about to develop nuclear weapons and is trying to earn time and make diplomatic gains. If the DPRK mounted nuclear weapons or chemical and biological weapons on a Nodong 1 or Nodong 2 missile, which it has finished testing, we, along with neighboring countries including Japan, would fall within its firing range and thus be in danger. Because of this, Japan and the United States are deeply concerned about the DPRK nuclear program. Ultimately, we can see that DPRK nuclear development is not for negotiation purposes alone, but aims at both enhancement of war capability and diplomatic concessions. Thus, rather than making a distinction between strong and moderate responses, we need the wisdom to block its nuclear development by the appropriate use of both, according to the DPRK response.

Also, security issues must not again be seen at the government level as means for political maneuvering. The story of how none of the townspeople tricked by the mischief of the shepherd boy went running to help him when the wolf actually appeared is extremely common, but speaks to us of truths. Debating the security of a nation is itself an important national objective and the government must accurately inform the public of those portions of security-related information not requiring secrecy. [passage omitted]

To pass on the economic prosperity and security we enjoy and to prepare a peaceful living space for our descendants, we must, individually and socially, guard against excessive indifference or optimism on security issues. Preparing for war is the most effective shortcut to preserving the peace. [passage omitted]

ROK-Flagged Vessels Said Allowed Into Chongjin

SK0303093694 Seoul KBS-1 Radio Network in Korean 0900 GMT 3 Mar 94

[Text] North Korea has been allowing ROK-flagged vessels to enter its Chongjin port, which has been designated as a free trade port, since August last year, according to a high-ranking Western diplomatic source. The source said that since it designated Chongjin port as a free trade port, North Korea has been allowing ROK-flagged vessels to enter Chongjin port, reviewing the feasibility on a case-by-case basis.

Accordingly, three large-size cargo ships carrying used entered Chongjin port flying ROK flags last August, and the used cars were exported to the Yanbian region in China via an overland route, the source added.

DPRK Plans To Expand Chongjin Port Facilities

SK0203023394 Seoul YONHAP in English 0201 GMT 2 Mar 94

[Text] Beijing, March 2 (YONHAP)—North Korea plans to drastically expand the cargo-handling capacity at Chongjin port, which was earlier selected as a free economic area along with the Najin-Sonbong free trade zone, informed sources here said on Wednesday. Pyongyang wants to develop Chongjin port on the East Sea [Sea of Japan] because of its potential as a link with China and Russia by land and sea when the North Korean region near the Tuman River opens up to foreign investment.

North Korea's committee on promotion of external economic cooperation recently distributed pamphlets on the project to develop Chongjin port to Western financial institutions and investors here, explaining how Pyongyang wants to gradually expand the port's capacity to transfer and handle cargo up to 20 million tons and 10 million tons, respectively, by the early 2000s. In doing so, North Korea will construct a container terminal for 1 million tons of cargo next year and expand the present seven quays. It will also dredge a 700,000-square-meter area in front of the port and build storage facilities covering 560,000 square meters.

Chongjin port currently sits on a 300,000-square-meter site and the total length of its quay is 2,138 meters. It can accommodate 105,000 tons of ships, or eight 10,000-ton ships and five 1,000-ton ships, at a time and 8 million tons of cargo a year. Pyongyang also plans to lay rails linking Najin-Sonbong-Chongjin-Hunchun (China)-Khasan (Russia)-Posyet (Russia) to improve the transportation system.

* Kim Chong-il Places Trust in Party Department

942C0059B Seoul NAEWOE TONGSIN in Korean No 874, 18 Nov 93 pp F1-F2

[Text] Our conclusion is that North Korea's Kim Chong-il places his utmost trust in the combatant troops of the Korean Workers Party (WPK) Operations Department, above all, among his political power support groups in order to solidify his own power base.

Based on the overall analysis of testimonies given by defectors from the north, we conclude that various North Korean military and government agencies perceive that Kim Chong-il places his utmost trust in the Party Operations Department as he recently issued his guideline to WPK Operations Department stating, "The soldiers who would defend the Party even to the very end and prevent any rebellion are the combatant troops of the WPK Liaison Offices," and instructed massive reinforcement of treatment and training of the combatant troops.

Specically, Kim Chong-il, at every possible opportunity, takes an inspection tour of the Party Operations Department, gives the combatants his highest praise, and expresses his trust in them saying, "The fighting spirit and the training of the Party Operations Department combatants are superior to those of any other units and the operational capability of them, though small in number, exceeds that of a People's Army Corps strength."

The reason for Kim Chong-il's trust in the concern for the Party Operations Department combatants is because the unit's mission, which ordinarily is to guide and guard North Korean espionage agents to and from South Korea, would instantly become a special mission to crush any such element in case of an internal coup d'etat within the power structure or an appearance of threat to the regime's life.

In other words, Kim Chong-il, fearing plots of coup d'etat within the Ministry of People's Armed Forces and the General Gerard Bureau, is nurturing the Party Operations Department combatants to be his most trustworthy power center to be his personal guards and to check against those other agencies. Facts supporting this analysis are that O Kuk-yol (a general) who was discharged from the position of Chief of the Armed Forces General Staff in February of 1988 became Director of WPK Operations Department and commands the troops of the department and that the emphasis of training for the department combatants has shifted, after Kim Chong-il's instructions on "maintaining the capability of riot control," to maintenance of the system and the capability for execution of conventional warfare, from the past unconventional type training designed for operations against the south.

O Kuk-yol is the son of O Chung-hap, a partisan associate of Kim Il-song's, who acted as the top military assistant with Kim Chong-il's total trust having successfully led the effort to eliminate Yi Yong-mu, chief of the Armed Forces General Political Bureau, who resisted Kim Chong-il's being selected as the successor in the mid-70's, but was discharged from the position of chief of the Armed Forces General Staff because of his conflict with O Chin-u, minister of the People's Armed Forces.

During the period of semi-state of war declared by North Korea in March to counter the "U.S.-South Korea combined excerise: Team Spirit '93," combatants of the Party Operations Department took, for their conventional warfare skills, a 6000 li (2400 kilometer) round trip march along the provinces of Pyongan, Hwang-hae, and Kangwon, during which they conducted such conventional warfare training exercises as seizure and demolition aimed at military organizations and other agency/installation, snowed cave bivouac, assault, and ambush, that have little bearing on the performance of their originally designated mission.

In the meantime, the North Korean Government, in order to comply with Kim Chong-il's directive of total trust and special treatment, made an enormous improvement in salary and rations for the combatants. A combatant senior lieutenant receives a salary of 155 wons per month, exceedingly higher than all other senior lieutenants' 100 wons per month salary, and daily allowances of 800 grams of rice, two eggs, 200 grams of meat, 150 grams of fish, and three or more varieties of fresh vegetables, and a weekly allowance of 200 grams of glutinous rice or flour.

This special treatment of combatants of the Party Operations Department makes their allowance of rice three times higher and their other food allowances twice as much as those of other military officers, rank by rank, and they nearly equal the levels accorded to members of the 2nd Security Guard Division of the General Guard Bureau which is in charge of Kim Chong-il's personal protection.

* DPRK Election System Seen as Anti-Democratic

942C0059A Seoul NAEWOE TONGSIN in Korean No 874, 18 Nov 93 pp D1-D4

[Text] As the 21 November election of provincial (and directly administered city) delegates approaches, North Korea is gearing up its public agitation campaign in order to project the election as an extension of the theories of socialist superiority and systemic reinforcement applying such propaganda as that North Korea's election system is 'the most democratic and people-oriented.'

North Korea, which now elects four-year term delegates in accordance with the statute [section 134] prescribed in its constitution following the election of provincial (and directly administered city) people's assembly delegates in November of 1989, published lists of voters in every election district for the (district election committee) all over the nation on 6 November and has carried out its agitation campaign for "100 percent participation, 100 percent 'yes' vote," mobilizing the government operated broadcast media, every level of organization cadre and students/agitators. On 5 November, a Pyongyang broadcast pointed out that this election was taking place "in a strained situation in which there were constant schemes to destroy the our-style socialistic sytem," and emplasized, "We must demonstrate that our unfailing unified force around the Party and the President will never be broken by any scheme of any enemy," relating the election to the international pressure on North Korea for its nuclear inspection issue.

Meanwhile, KCNA (8 November) was intensifying its drumbeat calling for the reception of the election "with combativeness to bring about the shining achievement of increased coal production" and was urging to commence the battle to accelerate the all-out march for the our-style socialist system.

North Korea has presented a detailed description of its regime's election rules such as "general," "equal," "direct," and "secret," stated in its constitution (article 6) through Pyongyang radio in a news commentary titled "Most People-Oriented Election System Implemented in Northern Half of Peoples Republic" immediately after the announcement of delegate election.

The First Rule of Election Is "Generality"

North Korea maintains that all citizens, 17 years of age or older, have the rights to vote and to run as a candidate for an election regardless of their gender, national origin, occupation, length of residency, levels of income and education, political party affiliation, political opinions and religion (Article 66 of the constitution), and the working mass do participate in an election on unlimited basis. As the result, it further maintains, yesteryear's farmhands, odd laborers and women, who make up one-half of the entire population, are being elected to various levels of elective offices of the regime.

Artificial Rules of "Equality" for Meaningless "Election"

However, we can surmise that this rule of "equality" is nothing more than a statutory clause in the constitution and has no special meaning in practice of real operations. Because, in practice, the freedom to vote and to run for an election is not guaranteed for all "citizens."

In case of the gender issue, it is true that historically about 26 percent, in average, of the total delegates elected for local people's assemblies were women. However, this is nothing but a result of the acceptable safe distribution ratio carefully designed artificially based on Workers Party of Korea (WPK) policies not only of women but of various sectors and levels. We can describe this rule of "generality" as a systemic mechanism to carry out efficiently the "unilateral control" by bringing in various sectors and levels of the "citizens" into WPK one-party dominated political activities, with their individual freedom of expression effectively restricted, and mobilize them into puppet plays.

The second rule, "equality" of election, is to maintain that fairness and honesty are assured for election.

This is due to the idea that the "generality" rule, which enable all of the working mass to participate in an election, by itself, could not guarantee the perfect equality. The core of the "equality" rule is that no voter would have any "special preferential right" and everyone has one vote, election districts are based on an equal number of population and each district elects one delegate.

North Korea's election is a process for one delegate from each election district with a population of 30,000, which is the unit basis for the electoral division of the country. We do not consider North Korea's election, which is an uncontested election without a multiple candidacy, which is artificially blocked, an election of "equality" that assures "honest reflection" of the will of its "citizens," as North Korea claims. This is because the election is meaningless as far as the will of the electors is concerned for the election not only restrict the freedom of candidacy but any candidate once nominated would certainly be elected as if "winning by default" because electors do not have the choice of electing one among several candidates.

Political Mobilization To Rationalize Hereditary System

North Korea describes its one-delegate-for-one-district election system as "having significance in that each delegate of a comparable level people's assembly represents equal number of population and , thus, all electoral votes have an equal weight." But this is no justification for eliminating a competitive election with multiple candidates, and the election is nothing but a systemic device to have particular persons elected, ignoring the principles of free democratic election which prescribe the fundamental rule of majority decision.

The undemocratic nature practiced by North Korea in its election system is displayed clearly further in selection process of candidates and voting mechanism.

North Korea maintains that candidates for delegate positions are nominated and selected through free debates and expression at a "respective resident general meeting" or "work site member general meeting." However, a candidate selected at a "resident general meeting" in reality neither has the origin nor a resident of the district involved. The meeting but performs the function of selecting a candidate as directed by the WPK disguising the process as if it was the reflection of the local residents' will.

The selection of candidates by political parties is carried out in the same manner. There are such political parties as Korean Socialist Democratic Party and Chon-dogyo Young Friends Party as North Korea's constitution in its formality permits a multiple political party system [Article 67] but they act as WPK's satellite organizations and, instead of selecting a candidate on their own, follow WPK's directive pertaining to the rule of assignment and execute the channelled-down selection process.

In effect, the instrument called the local people's assembly is nothing more than a tool for WPK dictatorial rule consisting of delegates handpicked by the WPK and installed by the regime.

Following official announcement of the election, WPK opened its so-called election campaign by publicly displaying charts of election districts and their candidates and reviewing the rosters of voters in accordance with the administrative rules of the people's assembly election law.

The election campaign aims at simply stirring up the environment for election by mobilizing General Federation of Trade Unions, Agricultural Workers Union and General Federation of Culture and Art, which are government-mandated hierarchical organizations, Juvenile Corps and Socialist Working Youth League which are age-oriented organizations, and Women's League, and does little to gain actual votes. This is simply because there is no need to go after a vote in the channelled down single candidate and uncontested election.

North Korea is boasting about its lowering the eligible voter's age from 20 as stated in its old constitution (of 1948) to 17 (the socialistic constitution of 1972) as a proof for implementation of the "generality" election rule but this was done in fact, we believe, in order to mobilize student/youth organizations such as Juvenile Corps and Socialist Working Youth League as vanguard units for election activities.

And, the "100 percent voting record" has been achieved through the mechanisms such as having voters go to their voting place in group formations, rather than individually, under the direction of the chief of their people's neighborhood unit, and mobile ballot boxes which an election committee brings to homes of the elderly and the disabled.

The third rule is direct election and secret ballot.

North Korea continues its propaganda that its election system demonstrates the "people-oriented and democratic" nature, claiming that the "direct/secret" election rule is "in order to assure an election that accurately reflects the people's will." This refers but to the window-dressing piece of constitutional statute designed for external propaganda consumption and, in real practice, it is a widely acknowledged fact that an election committtee consisting of representatives of political parties and socialist organizations plans and supervises a series of election activities and conducts an open ballot election. The perfect election record of the past which had shown "100 percent approval" is the proof of this fact. North Korea's election system is counter-people oriented in that it stresses the "100 percent voter participation" irrespective of constitutional provisions or the free will of its citizens and is undemocratic in that it manufactures "100 percent approval" ignoring the free democratic election process. North Korea, which is about to have the provincial (and directly administered city) delegate election, is unmistakably proving that its election is a political mobilization scheme to assure establishment of the hereditary succession system of Kim Il-song, the father, and his son as its tradition, through its agitation campaign for unified political ideology centered around Kim Il-song/Kim Chong-il and linking the election to fighting against the nuclear inspection pressure it faces and to such other issues as for increased coal production.

U.S. Said Planning To Increase Trade Pressure

SK0203030394 Seoul YONHAP in English 0105 GMT 2 Mar 94

[Text] Seoul, March 2 (YONHAP)—The United States is waiting to apply trade pressure on South Korea until after the North Korean nuclear problem is resolved, according to reports by American consulting firms commissioned by the Korea Foreign Trade Association (KFTA) Wednesday. The U.S. Government currently places top priority on resolving the North Korean nuclear question and is therefore refraining from bringing up trade issues with Seoul, the reports said. Labeling 10 major developing economies, including South Korea, as "Big Emerging Markets (BEMs), Washington decided earlier to focus on widening its access to these markets as this year's top trade policy. But it has reportedly made South Korea an exception until the North Korean problem is settled.

The United States will instead concentrate on improving trade conditions in Japan and all other BEMs excepting Korea. It has chosen Indonesia to test the policy first and is limiting trade pressure against Korea to merely "telling what it wants" through the bilateral Dialogue for Economic Cooperation (DEC) channel, the reports said. But Washington is expected to turn up the heat on Seoul sometime before June as tensions from the nuclear problem slowly ease and the Uruguay Round [UR] act is likely to pass congress around then, they said.

Its trade demands will aim mainly at Korea's financial services market and policy on corporate competitiveness, which were excluded from the UR negotiations, and Washington has alreadly begun dropping hints through the dec channel to soften the blow, they said.

Concern Expressed Over Revival of 'Super 301'

SK0303073594 Seoul YONHAP in English 0711 GMT 3 Mar 94

[Text] Seoul, March 3 (YONHAP)—South Korea has expressed concern over Washington's move to renew Super 301 trade legislation that authorizes the U.S.

Government to retaliate against nations which erect barriers to American products, and is even considering multilateral action against future U.S. application of the trade act.

The U.S. Government is yet to officially confirm the reinstatement of the Super 301 clause, a government official said Thursday.

Nevertheless, Seoul has already told Washington that reintroduction of the retaliatory trade act runs counter to the multilateral dispute settlement capacity of the World Trade Organization [WTO], which will replace the General Agreement on Tariffs and Trade (GATT) after the Uruguay Round pact is signed next year.

The American press reported that President Bill Clinton has decided to reauthorize Super 301 in an executive order raising tariffs on Japanese imports following the collapse of Washington-Tokyo trade talks last month.

Though initially aimed at Japan, Super 301 will eventually be used to widen U.S. access to Korea and affect Korean advancement into the American market.

Washington has made it clear that it will apply Super 301 on non-WTO-bound countries and areas so that its impact is less pronounced, the official said.

The 1988 omnibus trade act was largely denounced as the most retaliatory U.S. tool against countries with which it suffered a trade deficit and was finally killed toward the end of 1990.

Korea will seek multilateral steps and act strongly against any unilateral retaliation by the United States, he said.

Government To Decide on UR Revision 'Next Week'

SK0303090794 Seoul YONHAP in English 0846 GMT 3 Mar 94

[Text] Seoul, March 3 (YONHAP)—The government will closely study the United States' 1,000-page Uruguay Round [UR] schedule submitted to the General Agreement on Tariffs and Trade (GATT), revised from offers made at last December's negotiations, and hold an international policy coordination meeting next week to decide whether to make revisions as well before handing in its schedule.

In its schedule that was turned in late last month, the United States offered to cut overall duties on certain items rather than abolishing them as promised in the Uruguay Round negotiations, Trade, Industry and Energy Minister Kim Chol-su said Thursday.

Seoul has acquired a copy of the U.S. schedule and will finish analyzing it in a day or two, he said.

If certain revisions are deemed to affect Korean exports adversely, Seoul will act accordingly, the trade minister said, strongly hinting at changes in Korea's commitment to the UR pact.

Korea may eliminate some items on which it had offered to abolish duties and hand in the revised version, or consult with the European Union, Japan and other countries before submitting its amended list, he said.

Assistant Trade, Industry and Energy Minister Chang Suk-hwan pointed out that the United States made fewer tariff concessions than planned because Japan decided not to scrap tariffs on wood, leather and non-ferrous products.

Therefore, he said, Washington and Tokyo may strike a deal before April, when the UR accord concluded in December is due to be signed and sealed.

Korea will also wait and see how other countries respond to the U.S. schedule before making a decision, Chang said.

The negotiations on the non-tariffication provision are just a small part of the UR tariffication sector and the agreement on under-33-percent tariff cuts on industrial goods is effective, he explained.

Although there may be slight friction over the zero-tariff efforts, it is unlikely to impede the signing of the UR agreement on April 5, he said.

He said the U.S. revisions are not all harmful to Korean exports, adding that for some items they may even be advantageous.

General Luck's Testimony to U.S. Senate Quoted

SK0303080494 Seoul YONHAP in English 0735 GMT 3 Mar 94

[Text] Washington, march 2 (YONHAP)—North Korea poses a multiple threat on the Korean peninsula but no extraordinary signs of a pending attack have been detected, the chief U.S. commander in South Korea said Wednesday.

But if South Korea and the United States do detect any sign of aggression, they "are prepared to react decisively," Gary Luck, commander of the UN Command, said before the Senate Armed Services Committee.

Asked about deployment of Patriot missiles in South Korea, Luck answered that preparations have been completed to make the action possible at any time. But Seoul is unlikely to approve the Patriots' deployment unless the United Nations first imposes sanctions on Pyongyang.

Luck, also commander of the South Korea-U.S. Combined Forces Command, said he had recommended the Patriots be deployed at last year's end. But the plan was suspended due to South Korean concerns that it might provoke North Korea.

"Even its very name, the 'Democratic Peoples Republic of Korea,' is a great lie," said Luck in describing the Stalinist state. "North Korea is certainly not remotely democratic nor is it a republic by any generally held definition."

While Pyongyang continues to "make all manner of bellicose verbal threats," there is no sign of pending attack, according to the commander.

"And you can be sure I am looking long and hard, with some of the best surveillance and warning systems and most skilled military analysts in the world."

Despite its deteriorating economy and years of poor havests, North Korea continues to mechanize its huge ground forces, expand its already massive artillery formations, enhance its special operations forces and upgrade its ballistic missile arsenal. The biggest danger of war lies in "a serious miscalculation" by North Korean leaders.

Only the "aging dictator" Kim Il-song knows whether an attempt will be made to reunite the peninsula under his control.

"We cannot risk a miscalculation by the North," Luck told the Senate committee. "Their leaders must always know in their hearts and minds that they could never win a war on the peninsula or even be sure that their regime would remain in power after a war."

Effort To Introduce U.S. Technology Stalls

SK0203031794 Seoul THE KOREA TIMES in English 2 Mar 94 p 8

[By staff reporter Chae Hui-muk]

[Text] The unrealistic approach of the Korean government to introduce U.S. technology and to shun U.S. pressure to open the Korean markets wider to American businesses has stalled. Seoul proposed to Washington the formation of a Korea-U.S. committee on industrial cooperation when Trade-Industry-Energy Minister Kim Chol-su visited the United States last April.

Kim's proposal was aimed at introducing advanced technology to wipe out trade disputes by linking Korean and U.S. manufacturers through technological tie-ups. But Minister Kim seemed unaware of the differences in the economic structure of the two countries, an observer said.

In Korea, the government is able to easily guide enterprises in whatever direction it wants, but in the United States, government intervention in private business is impossible because of its free market mechanisms, the observer explained. Minister Kim proposed to form an alliance between Korea and the United States in technology, investment and overseas market development in high-tech industries during Washington talks with Secretary of Commerce Ron Brown.

During the Asia-Pacific Economic Cooperation (APEC) conference in Seattle last November, Kim and Brown agreed, in principle, that the committee will be launched when trade ministers talks are held again this year.

Seoul also proposed to form nine subcommittees on semiconductors, telecommunications equipment, medical equipment, computers, machine tools and power generation facilities, environment-related facilities, automobiles and aircraft, a Trade-Industry-Energy Ministry official said. But Washington has cited various difficulties in proceeding with ahead with the bilateral industrial cooperation program under the government initiatives.

The official is pessimistic about the proposal, citing a bilateral science and technology cooperation committee whose inauguration has still yet to be seen due to passive attitude of the U.S. government although Seoul proposed nearly 10 years ago.

Korea has also suggested establishing a fund on industrial and technological cooperation each with money provided by each government and businesses to carry out projects.

Korea has set up a fund this year with 3.2 billion won donated by the business circle and 800 million won of state subsidy. The government plans to increase the fund to $20 million (some 16 billion won) by 1997.

The government has also drawn up a concrete program on the operation of the fund when the subcommittees are established. The official said that the fund will be used to support joint venture projects, introduction of advanced U.S. technology, feasibility studies to sort out areas for possible cooperation and exchanges of science and technology researchers. But the U.S. government has turned down the suggestion, reportedly saying that it is unable to set aside money from its budget and to force businesses to donate to that purpose, the ministry official said.

Korea also proposed that both government officials and businessmen participate in the nine subcommittees. But the U.S. government objected to the inclusion of public servants in the subcommittees, the official said.

During the conference of the Dialogue for Economic Cooperation (DEC) in Washington last month, the two sides agreed to change the subcommittees to private advisory forums composed of businessmen from both countries. But the U.S. reiterated that public officials should be excluded.

As expected, the U.S. government has also faced difficulties in arranging for American companies to take part in the formation of the advisory forum in each field, although Korea is ready to do so, according to the Trade-Industry-energy Ministry.

U.S. officials reportedly insist that technology transfers can be possible on commercial basis among companies and as a result their government can hardly intervene in private businesses.

Although Minister Kim's idea is good, he does not understand the different industrial structure of the two nations, an official of the Federation of Korean Industries (FKI), a private interest group of large business concerns.

"In fact, there are many sectors for manufacturers of both nations to cooperate," the FKI official said, adding that Korean and U.S. companies will be able to join hands to advance to China with the enormous market potential with U.S. high technology and Korea's experience of massive production and still cheap skilled manpower.

He said, "The urgent problem to be tackled for high-tech imports is to create an atmosphere for foreign investment here and trust on Korean firms."

"Restrictions in the financial sector, acquisition of real estate, construction of plants are a great hindrance to foreign investment," the FKI official stressed.

The WALL STREET JOURNAL recently reported that 220 foreign firms withdrew $369 million in investments here in 1992 and 52 of them completely closed their plants here due to the unfavorable business environment.

Country To Build Nuclear Power Plants in PRC

SK0303085594 Seoul CHUNGANG ILBO in Korean 1 Mar 94 p 3

[Text] On 1 March, the government decided to actively move in building nuclear power plants in China.

According to materials submitted to the National Assembly by the Ministry of Trade, Industry, and Energy, the government plans to widen the scope of the move into China after forming the foundation through technological trainings on and advisory support in building and operating nuclear power plants, aiming at the ultimate goal of plant exports to China.

To achieve this goal, the government has decided to hasten the conclusion of an ROK-PRC nuclear energy treaty, which is now being negotiated, and as well as make efforts to conclude the "ROK-PRC Industrial Cooperation Treaty," which will practically back domestic companies' move into building nuclear power plants in China, before the end of this year.

The government also plans to unify channels for this and make a single one to prevent excessive competition among domestic companies in building nuclear power plants in China and to build a complementary cooperation system. It also decided to seek methods of forming a consortium with foreign professional companies, if necessary.

If negotiations with China are being held smoothly, with President Kim Yong-sam's China visit as a momentum, it will become possible to promote this by field, such as plant and system design (The Technology and Atomic Energy Institute of the Korea Electric Power Corporation [KEPOC]), manufacturing of machines and materials (Korea Heavy Industries and private enterprises), operation and maintenance (KEPOC), and construction (private enterprises).

Cultural Cooperation Pact Initialed With PRC

SK0303071294 Seoul YONHAP in English 0135 GMT 3 Mar 94

[Text] Seoul, March 3 (YONHAP)—South Korea and China initialed a cultural cooperation pact in Seoul Thursday to promote exchanges in education, academia, the arts, mass media, youth activities and sports. Yi Won-yong, director-general of cultural affairs at the Foreign Ministry, and Wu Chunde, director for cultural relations at the Chinese Ministry of Culture, inked the accord in Seoul.

The pact will be formally signed later this month by the two nations' foreign ministers during South Korean President Kim Yong-sam's state visit to Beijing. The agreement includes cooperation across a wide range of cultural activities as well as exchanges of information and know-how on protecting relics. The two countries intend to form a joint committee to determine specific means of cooperation.

Ministry Simplifies Foreign Investment Process

SK0203033694 Seoul YONHAP in English 0043 GMT 2 Mar 94

[Text] Seoul, March 2 (YONHAP)—Beginning Wednesday, foreigners applying for investment in South Korea will be told within three hours whether their application forms and other supporting documents have been prepared properly and within 15 days, instead of the previous 30, whether their applications have been approved. Moreover, procedures for foreign-invested firms to expand into areas not covered by their initial investment plans and for foreign investors to sell stocks will be greatly simplified.

Foreigners may now invest in tourist hotels simply by registering their investment plans with the government.

These are highlights of the new regulations governing foreign investment that the Finance Ministry put into effect on Wednesday under the revised foreign capital inducement law.

Under the new rules, the government cannot reject foreign investment in areas where such investment could lead to monopoly of or encroachment on the domestic market, though it can still reject foreign investment in areas sensitive to public order and morals, national security and national health and environment.

The business of handling foreign investment applications will be transferred from the Bank of Korea to all domestic foreign exchange banks, effective July 1.

The new foreign investment rules are expected to increase foreign investment in domestic industries, ministry officials said.

Death of Air Force Chief of Staff Confirmed

SK0303084794 Seoul YONHAP in English 0839 GMT 3 Mar 94

[Text] Seoul, March 3 (YONHAP)—The Defense Ministry confirmed Thursday that Air Force Chief of Staff Cho Kun-hae, his wife and four others have died in a helicopter crash. All six people aboard the ill-fated craft died after the UH-60 chopper crashed into a small mountain near Yongin County, Kyonggi Province, the ministry said. Cho and his wife left Seoul at 2:25 PM and the helicopter is presumed to have gone down around 10 minutes later. They were on their way to watch the graduation ceremony rehearsal at the Korea Air Force Academy in Chongju.

The 56-year-old chief of staff graduated from the Air Force Academy in 1961 and was appointed to the top post last May 27.

President Urges Nation To Form Security Vision

SK0203072394 Seoul YONHAP in English 0633 GMT 2 Mar 94

[Text] Seoul, March 2 (YONHAP)—President Kim Yong-sam said Wednesday that Koreans should start forming a vision for a unified Korea in the 21st century while striving to maintain collective security in the Asia-Pacific region. In an address at the commencement ceremony of the Korea Military Academy's 50th class, Kim said a unified Korea would not be a burden to the peace and prosperity of the Asia and Pacific region. Rather, it would be a promoter of such ideals, he said. Kim is the first civilian president to give a commencement address at the military academy in more than three decades.

"Responding to the demands of the times, our military has to develop into an efficient, scientific, future-oriented and internationalized Armed Force," Kim said.

"We have to build an Armed Force of quality rather than quantity," the president said. The military must undertake reform and change not because of demands from the outside, but in its own best interests, he said.

"As the commander-in-chief of the Armed Forces of this country," Kim said, "I will try to do my best not to betray the love and trust of our officers and men."

"I'll take a deep interest in building up an elite force and improving conditions for professional soldiers," Kim said.

The president noted that North Korea is now standing at an important crossroads and the world community is gravely concerned about its actions.

"North Korea will have to guarantee transparency of its nuclear safeguards and make sincere efforts to solve the nuclear problem peacefully," Kim said.

Unless South Korea maintains a strong security setup, it cannot expect to attain true independence, Kim said. "We have to maintain a defense system that can meet any change in security and be alert at all times in this transitory period."

* President Fills Blue House With Supporters

942C0072A Seoul CHUGAN CHOSON in Korean 27 Jan 94 pp 18-19

[Article by Reporter Kwon Yong-ki]

[Text] The process of "filling the Blue House Secretariat all-out with officials from the Republican Democratic Party [RDP]" has now been completed. If the reshuffle late last year of Blue House senior secretaries as well as Cabinet ministers and vice ministers and four Democratic Liberal Party [DLP] executive officers, signified a change in the "upper strictures" of the Blue House, the party, and the Administration, then the 15 January reshuffle of Blue House secretaries and administrators (Grades I through III) was a change in the "lower structure" of President Kim's governing system in person. The 15 January reshuffle signifies the consummation of President Kim Yong-sam's direct governing system because it filled the Blue House Secretariat—the machinery that assists the president near at hand—with people from the RDP faction.

The latest reshuffle of the Blue House Secretariat was carried out according to the decision on an organizational revamping of the presidential secretariat and its personnel management that was adopted after long deliberation. Quite a few non-RDP people were also appointed. Nevertheless the reshuffle of the Blue House Secretariat is out of the ordinary in the sense that it signifies an "all-out placement of people from the RDP faction in the state machinery."

First, Secretary Kim Mu-song (Grade 1) has been reassigned as second secretary for civil affairs from his former post as first secretary for administrative oversight. Kim To (Grade I), former secretary for personnel administration under the senior secretary for general affairs, is now the first secretary for political affairs in the office of the senior secretary for political affairs. Kim Kil-hwan (Grade 1), former first secretary for civil affairs, is the secretary for civil affairs, whose jurisdiction encompasses the combined jurisdictions formerly under the now defunct offices of the first and second secretaries for civil affairs. Kim Chae-sok, former LDP General Affairs Bureau chief, has replaced Kim To as secretary for personnel administration. In addition, a number of secretaries and administrators from the RDP faction have been promoted. Overall, the ratio of secretaries and administrators with the RDP background to the total number may not be so high. But we should examine the importance of the posts occupied by these people from the RDP faction beyond their seemingly inconspicuous numerical strength.

First, let's begin with the post of the first secretary for administrative oversight, which Kim Mu-song occupies by succeeding Kim Hyok-kyu, who is now governor of South Kyongsang Province. The first duty of the first secretary for administrative oversight is to draw up plans for audit and inspection, work out programs for oversight, and play the role of a clearing house in inter-agency consultations and coordination among inspection authorities. In fact, it was this secretary who set the direction for the Administration's oversight activities for this year. When a joint meeting of officials of inspection agencies, such as the fourth coordinator at the Office of the Prime Minister, public prosecutors, and members of the Board of Audit and Inspection is planned, the first Blue House secretary for administrative oversight makes a necessary advance arrangement. His second duty is to check and evaluate the performances of high-ranking government officials with Grade I and above and executive-class officials of government-financed organizations. Records of these evaluations are used as a reference material in taking personnel actions relative to Cabinet ministers and vice ministers and other important officials.

Kim Mu-song, first secretary for administrative oversight, who was the focus of attention in the latest reshuffle of Blue House secretaries and administrators, is a younger member of the DRP faction who enjoys an unswerving trust of President Kim. He, at 43 years old, is the fifth son of Kim Yong-chu (deceased), the founder of Chonbang Co., Ltd. His father-in-law is Choe Chihwan (deceased), who served five terms in the National Assembly as an independent and then as DRP assemblyman. When Kim Yong-sam opened the Institute for National Affairs in 1983 after being released from house arrest subsequent to his hunger strike, Kim Mu-song became a managing director of and an expert adviser to the institute, thereby joining the Sangdo-tong inner circle for the first time [Sangdo-tong is the name of the residential block in Seoul where President Kim's private residence is located]. Subsequently, he became a member of the Council for the Promotion of Democracy [CPD], chief of the RDP financial bureau and then of the RDP general affairs bureau, and chief of the RDP parliamentary affairs office. In 1992 he became the chief of the overall control bureau of the Committee for Promoting the Kim Yong-sam Candidacy and a policy affairs adviser to candidate Kim Yong-sam. Following President Kim's election, he was in charge of the administrative office of the Transition Committee. With the inauguration of the Kim Yong-sam administration, Kim Mu-song entered the Blue House as second secretary for civil affairs.

The post of the secretary for civil affairs, which combines the duties of the abolished posts of the first and second secretaries for civil affairs, is an important post that directly assists President Kim in the execution of his presidential duties. The duty of the secretary for civil affairs is, among others, to keep tabs on the drift of public sentiment and report public opinion to the president as it is. It is also his duty to report to the president about public reaction to actions taken by the president in performing his presidential duties. Kim Kil-hwan, who holds this post, entered politics in the 1980's as an official of the Democratic Korea Party, and subsequently became an expert adviser to the then RDP Parliamentary Affairs Committee. After the three-party merger, he served as the second chief of the DLP Policy Research Office. He is a career party bureaucrat with a DLP background.

The post of the second secretary for political affairs, currently held by Kim To, has been newly created in connection with the latest reshuffle. Yi Won-chong, new senior secretary for political affairs, upon assuming his new post, strengthened the organization of his office, with particular emphasis on its function dealing with government-party relations. In the past this function was handled by Yun Won-chung, secretary for party-government relations. However, being a person with a DJP background, Yun was not too familiar with the inner affairs of the opposition parties. Naturally, he neglected matters concerning party-government relations. In connection with the latest reshuffle, the hitherto single post of the secretary for political affairs has been split into two posts, namely the post of the first secretary and that of the second secretary for political affairs. Yun Won-chung is the first secretary for political affairs, and Kim To is the second secretary. This means that Senior Secretary Yi Won-chong's range of activity has expanded accordingly.

Secretary Kim To is an administrative type men belonging to the RDP faction, with his secretarial background at Sangdo-tong. He joined the Sangdo-tong secretariat during the "Seoul Spring" in 1980, but withdrew from politics in the wake of 17 May [1980] incident. He returned to the RDP fold following the 13th general election in 1988.

Kim Chae-sok, 52, who joined the Blue House for the first time by replacing Kim To as secretary for personnel administration under the senior secretary for general affairs, worked as a secretary when President Kim opened his first factional office in 1971. He is among the former "veteran" members of the Sangdo-tong secretarial staff, and may be regarded as one of President Kim's close aides. After quitting politics following the 17 May 1980 incident, he returned to President Kim's side as chief of the RDP Bureau of Organization following the 13th general election in 1988. Last year when the LDP carried out a reduction in force for its administrative personnel, Kim Chae-sok took command of the downsizing operation in person under then DLP Secretary General Choe Hyong-u. Kim Chae-sok, a native of

Yonggwang, South Cholla Province, is one of the few in the RDP faction who hail from the Honam area.

The most salient feature of the latest reshuffle of Blue House secretaries is that "the president's people on the same wavelength" with him were placed on key strategic positions, such as those for handling political and civil affairs. When President Kim organized his first Blue House secretarial staff in last February, some senior secretaries were reluctant to have personages from the RDP faction appointed as secretaries under them. That is why quite a few of carryover secretaries from President No Tae-u's secretariat survived after President Kim took over the reins of government. But now their positions are held by people from the RDP faction.

Reportedly, it has been decided that the newly established position of the secretary for planning and coordination (held by Kim Kwang-nim, junior grade II-A official dispatched from the Planning Board) will only handle matters relating to liaison and coordination between the offices of the senior Blue House secretaries. The original plan was to have filled this post with someone with Grade I from the RDP faction, but it was scrapped because the dominant view was against it on the grounds that it was like putting a fifth wheel to a coach.

The entry into the Blue House by Yi Won-chong as senior secretary for political affairs late last year marked the beginning of the process of bringing the Blue House secretariat completely under the control of personages from the RDP faction. Observers say that Senior Secretary Yi Won-chong, together with Secretary General Pak Kwan-yong and Hong In-kil, senior secretary for general affairs, is doing his best to assist the president. In addition to those secretaries who were reassigned to other secretarial posts in the latest reshuffle, people with the Sangdo-tong secretarial background also occupy other important posts in the Blue House Secretariat. They include: Kim Ki-su, chief the presidential entourage office; Chang Hak-no, chief of Annex I; Chong Pyong-kuk, chief of Annex II; Kim Tae-hwan, secretary to the secretary general; and Pak Yong-hwan, chief of the Chunchu Hall. Quite a few of former Sangdo-tong secretaries are working as administers to assist Blue House secretaries. Among them are Yi Song-hon and Kim Yong-chun in the office of the senior secretary for political affairs; and Pyo Yang-ho in the office of the senior secretary for public information.

Said a Blue House secretary: "Secretary General Pak Kwan-yong can now move around pretty lightly with a heavy load removed from his shoulders. In the past some senior secretaries misconstrued the true intentions of the president, often causing delays in the conduct of business. But with the appointment of Yi Won-chong as senior secretary and the filling many of the secretarial and administrative posts with people from the RDP faction, this shortcoming is disappearing."

* Article Urges Recovery of Nuclear Autonomy

942C0055A Seoul WOLGAN CHUNGANG in Korean Dec 93 pp 324-333

[By Kim Yu-chong]

[Text] We are living in a "Hobbesian World" with neither eternal comrade nor eternal enemy, and only having national interests. With the development of advanced communications, this has become a more complex, mutually dependent world, a world in which the competition for economic survival is more intense than ever before.

Under the leadership of the United States, world politics are being interspersed with conflict and strife. With Japan and Germany headed toward their apex, the world economy is evolving into regional blocs. The history of confusion and unrest is not rolling along; it is moving by leaps and bounds.

How are we acting at this point in time? How and where shall we find our interests? In the sense that we must act independently and autonomously in the international community, and are doing so, is the Republic of Korea, as a sovereign nation, acting autonomously and carrying out an independent policy? The Korean people began to be aware of the nuclear issue and policymakers began turning their eyes toward nuclear problems or nuclear policy, particularly nuclear policy toward North Korea, in 1989, when U.S. and French satellite photographs of DPRK nuclear facilities captured the attention of the world press.

Before then, we only went along with the U.S. NCND [neither confirm nor deny] policy (One part of its strategy to restrain the DPRK, this was the U.S. policy to neither confirm nor deny the existence of U.S. tactical nuclear weapons on the Korean peninsula.). We have believed the U.S. NCND policy guaranteed our greatest security interests and have just followed along with it.

Later, on 8 November 1991, President No Tae-u made his "Denuclearization Declaration," even renouncing nuclear enrichment and reprocessing. One month later, after proclaiming the "absence of nuclear weapons," he signed the DPRK's "Agreement on Reconciliation, Nonaggression and Cooperative Exchange Cooperation [Hwahae wa Pulgachim mich Kyoryu e kwanhan Hapuiso]," without any mention of the nuclear issue.

In this agreement, the government demonstrated an intention to pursue a DPRK policy dealing with the nuclear issue and other issues "in parallel." Running up against strong U.S. dissatisfaction with this, however, the government elucidated a "linkage" policy: "If the DPRK nuclear issue is not resolved, North-South economic cooperation is impossible." Afterward in September 1992, we came to support what could be called the U.S.' greatest outstanding issue, the extension of the NPT (Nuclear Non-Proliferation Treaty).

There are still two years left until the NPT-extention negotiations, and non-nuclear countries, using the NPT-extension negotiations as a opportunity, are looking for concessions. Despite this, we supported the U.S. desire for an indefinite extension, directly and indirectly.

The above is a general outline of the 6th Republic's nuclear policy. There are more than a few problems with it. First, although we can acknowledge that our government's ability to collect intelligence is clearly limited because it has no independent reconnaissance satellites, it did not come up with an appropriate response when the DPRK nuclear issue was first raised or when the DPRK admitted to possessing plutonium.

The DPRK nuclear issue was brought up a long time ago. Even when some experts warned of the possibility of a DPRK-style NCND, the government showed no movement on this whatsoever. It was only when the domestic media started making an uproar that it began to seek a solution to the problem.

Second, in its approach to the nuclear issue, the government was unable to secure our interests due to a lack of expert knowledge.

Our nuclear policies can be generally divided into two categories: "nuclear-possession policy" and "non-possession policy." Pursued by the five nuclear powers, the U.S., Russia, China, the United Kingdom and France, the nuclear-possession policy maximizes military, political, and diplomatic national interests by maintaining nuclear weapons.

Although it gives up nuclear weapons, surrendering to the pressure of the nuclear powers, the non-possession policy seeks to maximize national interests within given conditions by obtaining economic and diplomatic concessions while arguing against inequality. For various reasons, such as our alliance with the United States, we have had no choice but to adopt a non-possession policy. Are we, then, getting concessions? Unfortunately, we are not.

Our government proclaimed its renunciation of nuclear weapons and even elucidated that it would not maintain the enrichment and reprocessing facilities so necessary for the peaceful use of nuclear energy and for dealing with nuclear waste. The is no nation on earth like ours. This was the first time we surrendered our autonomous nuclear policy. As a minimum concession for giving up nuclear weapons, we should have at least obtained a U.S. effort to reduce trade pressures, such as pressure to open our markets.

Third, the fact that we accept as is the U.S. worldwide nuclear policy and its nuclear policy toward the Korean peninsula clearly shows our lack of an autonomous nuclear policy. We have overlooked the fact that nuclear politics arise in the world of the zero-sum game in which one side loses as much as the other side gains. Our lack of an autonomous nuclear policy becomes even clearer when we look back on U.S. interference in our nuclear development.

The ambitious nuclear-development program pursued by President Pak Chung-hi in the 1970s was frustrated by the U.S. (Of course, it can be said that he brought this on himself because he pursued it with openly military objectives). Since then, even the possession of enrichment and reprocessing facilities for peaceful uses has been suppressed.

In 1976, a plan to import a "nuclear-research reactor" from Canada came to nothing and a plan to import "mixed-nuclear-fuel technology" from Belgium was also discontinued because of U.S. pressure.

The U.S. has applied a first-supress-then-see style of pressure against even nuclear technology unrelated to nuclear bombs. Considering the elimination of the "seeds of misfortune" which may result from the development of nuclear weapons more important than the economic loss of a friendly nation, the U.S. nuclear-weapons-prevention policy is directly applied to our industrial policy.

The fourth blunder of the 6th Republic was to include the non-possession of enrichment and reprocessing facilities in its prohibition against nuclear weapons with its "Denuclearization Declaration." Let us say that it was a good thing to declare our abandonment of nuclear weapons. Considering the present international order keeping small countries from possessing nuclear weapons, it is true that an attempt to possess nuclear weapons would not be in our national interests. However, why did we declare that we would not maintain enrichment and reprocessing facilities?

The government did not have to include the renunciation of enrichment and reprocessing facilities in its Denuclearization Declaration, but it did. This declaration was only in the interests of the United States, which views the growth of our military and economic nuclear potential as contrary to its national interests (it has long classified the ROK as a nation having the potential to possess nuclear weapons), and surrounding nations. This is because enrichment and reprocessing are core technologies essential for the nuclear energy industry, although they are also needed in manufacturing nuclear bombs. Because of this, if a nation receives international inspections, then there is not the least legal problem with maintaining these facilities.

Thus, a legal basis capable of freezing the ROK's nuclear potential and closing the DPRK's nuclear facilities within the North-South Joint Denuclearization Declaration, which includes the abandonment of our enrichment and reprocessing facilities, is for the United States and surrounding nations a mechanism by which they can effortlessly achieve their aims.

Ultimately, our non-nuclear policy conforms well with the composition of superpower hegemony. Thus, the nuclear policy of the 6th Republic was totally ill-suited for securing our interests. This 6th Republic's nuclear-policy failure left the new government with pressing problems, that is, with nuclear tasks and dilemmas it must resolve. These are urgent issues the new government must confront and solve. The first dilemma is the possibility that the DPRK possesses nuclear weapons. Even though the DPRK has not openly proclaimed that it possesses nuclear weapons, the probability is growing that it will carry out its own style "uncertainty strategy." Signs of this are already appearing.

For this strategy to succeed, it must indirectly obscure its ability to possess nuclear weapons. The DPRK already boasts reprocessing capability. Even while aware that it is a violation of the Joint Denuclearization Declaration, it has admitted to possessing plutonium. Also, it has carried out approximately 70 detonation tests and left signs of this. Even while showing signs that it is developing nuclear weapons, such as rumors it is smuggling plutonium, officially it still maintains that it has neither the ability nor the intention to develop such weapons.

To put it another way, contrary to our government's casting off of all such capability by its nuclear-free and joint-denuclearization declarations, the DPRK has tricked us with the joint declaration and has been successful enough in dragging out the nuclear issue to be a psychological burden to us.

Second, we still needs to decide on a posture concerning the possibility of sanctions by the international community against the DPRK. If the DPRK is deceptive in the inspections and continues its development of nuclear weapons, there is a possibility the situation could develop into a head-on collision with the nuclear hegemony of the United States. Various senior American political leaders have already hinted on several occasions of the possibility of military sanctions.

Also, the DPRK's continued refusal to accept inspections have caused the UN Security Council to begin a full-scale search for a solution to the problem. This will develop into a UN resolution for forced inspections. If even this is refused, military action may follow diplomatic and economic sanctions. Would this, then, solve the DPRK nuclear issue?

It is in no way a simple problem. The threat of war due to a DPRK retaliation against the ROK cannot be precluded. This could result in the entire Korean peninsula being polluted by nuclear radiation. North-South relations would enter their worst possible state and the dream of peaceful coexistence and unification we have so carefully cultivated would retreat far into the background.

There can be no change in our fundamental position desiring that the DPRK accept inspections. However, it is not in our national interests to go beyond what is needed. This is because the IAEA (International Atomic Energy Agency) is a mechanism of inequality protecting the superpower's nuclear monopoly.

Since the collapse of the East-West composition of the international order, nuclear southernization [Namgukhwa] (attempts by non-nuclear countries to obtain nuclear weapons) is increasing. At this time, the IAEA has restored its authority weakened by Iraq and is building a strong system outlawing nuclear weapons. There is no reason for us to step too far forward.

Since the nuclear issue will undoubtedly progress along with the larger current of "North-South Relations" (the relationship between the possessing "North" and the non-possessing "South"), being more concerned about what we can do at the level of the Korean peninsula, such as reopening North-South talks and negotiations on mutual inspections, would be more in our interests.

Third, an issue we will have to worry about in the future is nuclear-energy security. This is because the ROK nuclear-energy industry is estimated to have suffered considerable damage with the government's elucidation of its abandonment of enrichment and reprocessing facilities. Apart from simple economic considerations, the maintenance of enrichment and reprocessing facilities signifies much in relation to nuclear-energy security.

Fourth, the government of the 6th Republic adopted a linkage policy as its official position: "Without progress on the nuclear issue, we cannot proceed with the issue of North-South exchange." This is still accepted as valid. This linkage policy has behind it the at-first-glance convincing argument, "North Korea is stubbornly persisting in its nuclear development. How can we offer economic cooperation?"

The problem is that this argument is too uniform. Thus, we need to apply a flexible linkage policy.

First of all, uniform linkage cannot guarantee a DPRK abandonment of nuclear weapons. The first reason for this is that inspection is not a perfect means of hindering nuclear development. With IAEA inspections, which are hampered by many obstacles to inspecting sites other than reported facilities, and mutual inspections, which investigate only agreed-upon sites, we cannot be 100% sure of a DPRK abandonment of nuclear-weapons development.

When through exchange we establish a structure of interdependence between North and South Korea, destroying the military utility of nuclear weapons, we will have found a final solution to the nuclear problem.

Uniform linkage blocking exchange, therefore, promotes an immediate resolution of the nuclear issue, mutual inspections, but is actually an obstacle to reaching a final solution to the problem. We need to understand this fact.

What must be made clear at this point is that bringing up as a reason for linkage cordial diplomacy toward allies such as the United States and Japan betrays simplistic thinking unable to understand the realism of international politics. The reasoning that, because these allies maintain the position that they will not normalize relations with the DPRK without a resolution of the nuclear issue, we must admit that this is illogical.

Concerning the nuclear issue, the U.S. and other nuclear powers have exercised their influence to prevent all non-nuclear nations from gaining nuclear capability in order to maintain their nuclear monopoly. Of course, the reflective benefit gained by Japan from a denuclearized Korean peninsula is great.

We must keep in mind that, viewed from the perspective of the U.S. and Japan, both of which want a "non-capable" Korean peninsula, our linkage policy must seem to be us sacrificing our own long-term interests, standing at the forefront of the "neutralization of North and South Korea [Nambukhan Muryokhwa]" desired by surrounding nations.

Fifth is the dilemma created by Japan, emerging as an "asymptomatic nuclear nation [mujunghu haekguk]" (a nation possessing nuclear weapons that, while not exposing military aims, actually has military potential). Apart from its 42 nuclear power plants presently under operation, Japan maintains the advanced nuclear facilities on an enormous scale: 15 research reactors, two high-speed breeder reactors, two converter reactors, nine critical experiment devices, five reprocessing facilities, five enrichment facilities, nine nuclear-fuel processing facilities, and ten large-scale research complexes. In scale and quality, the facilities of North and South Korea cannot compare with this.

Japan has a plan to expand its existing enrichment capability to 3,000 tons by the year 2000. Using an advanced laser enrichment beam, they can enrich uranium by over 90 percent. Furthermore, having built the 210-ton-capacity Tokai factory, a large-scale reprocessing factory with a capacity of 800 tons per year is now under construction in Aomori and is scheduled to be completed by 1995. Japan is presently implementing a plan to stockpile large amounts of plutonium. Their reason for this is that it is needed for operating their high-speed breeder reactors and for their mixed-nuclear-fuel development.

Japan receives nuclear inspections and says that it uses its nuclear facilities and nuclear material for peaceful purposes. When its advanced nuclear technology is combined with existing means of transportation, the world's most advanced electronics, materials, electronics industry, aviation industry, and space industry, it could instantly create a formidable nuclear force.

While developing its peaceful nuclear-energy industry, Japan ultimately obtained the byproduct of this nuclear-weapons potential. Japan carried out brilliant nuclear diplomacy toward the United States by retaining enrichment and reprocessing facilitates in exchange for its 1967 announcement of its three non-nuclear principles. In comparison, one cannot help but think we have lost much. The nuclear policy of the 6th Republic did not reflect our national interests well and the problems faced at that time still remain dilemmas. This was because it lacked a deep understanding of the reality of the nuclear world, which moves according to the principles of hegemony and the zero-sum rule, and of the double value of nuclear power. For us to pursue an autonomous nuclear policy, therefore, we must understand the economic value of nuclear power used peacefully as well as the reality of the nuclear world.

One of the two values of nuclear power is the political and diplomatic tools, as well as the military tool, gained from possessing nuclear weapons. The other is the use of nuclear power to expand national interests economically and technologically. It has been a long time since the fierce, political battle over nuclear power as a means of bringing at once both national security and national wealth has become normal between actors on the international stage (nations and terrorist groups also).

This battle gave birth to the nuclear non-proliferation system. Its character is represented by "North-South Problems," "North-North Problems" and "South-South Problems." That caused by the fierce competition and jealously between nuclear nations is the North-North Problem. The lack of a security guarantee for non-nuclear nations, the distrust among non-nuclear nations, and so on, are called South-South Problems.

Looking at the North-South Problem of nuclear power in relation to the nuclear problems of the Korean peninsula, its essence is the inequality between nuclear and non-nuclear nations. For example, if we look at the pillar of the nuclear non-proliferation system, the Nuclear Non-Proliferation Treaty (NPT), it has three nominal objectives. These are to prevent the lateral proliferation of nuclear weapons, to prevent the vertical proliferation of nuclear weapons, and to encourage the peaceful use of nuclear power. On closer inspection of the text, however, one can quickly see that it is an unequal treaty: it permits vertical proliferation, the continued development and deployment of nuclear weapons by established nuclear powers, while prohibiting lateral proliferation, the acquisition of nuclear weapons by non-nuclear powers resulting in their emergence as new, nuclear nations.

Compared to the time the treaty went into effect, the United States and Russia actually have come to possess more than three times the number of nuclear warheads. They have developed multi-warhead missiles, cruise missiles, and other fearsome new weapons. Compared to this, despite the treaty's call for the encouragement of the use of peaceful nuclear power by non-nuclear nations, this article has in fact been made a dead letter by the nuclear powers.

Although this is also due to the "dual nature of nuclear power," which results in increasing capability for its diversion to military uses as a peaceful nuclear industry develops, this is really because the Hobbesian instinct of the great powers to maintain a monopoly on power has dominated the nuclear order. This inequality is even more obvious in the regulations on nuclear inspections.

They burden nuclear nations with no obligation whatsoever to accept nuclear inspections, but make it obligatory that non-nuclear member nations conclude a saftey-meassures agreement with the IAEA and open all their nuclear facilities to international inspection within 18 months. This unequal treaty became the textbook of today's nuclear world, with its 146 member nations, because of the reality of the power difference between the great powers and smaller nations.

Recently, however, the inequality of the treaty has become a point of contention in international, nuclear politics as developing nations have gradually begun voicing their opposition to it. A heated North-South debate is predicted between nuclear nations and non-nuclear nations demanding a price during the negotiations on extending the NPT.

It is difficult to set up a sound, autonomous nuclear policy without an understanding of the economic value of peaceful nuclear power. The problematic points of the 6th Republic's nuclear policy resulted from a lack of national-policy deliberation concerning this. The economic value of nuclear power is centrally related to enrichment and reprocessing facilities.

First of all, "enrichment" is the key to Koreanizing nuclear fuel. Of the nine nuclear reactors in use by the ROK, eight are light-water reactors using enriched uranium as fuel. As long as we have no enrichment facilities, we are doomed to import enriched uranium from foreign countries.

In the case of the ROK, the fuel fabrication process is now done domestically, but possessing no enrichment facilities, it is missing one important element for Koreanizing nuclear fuel. Because it is a central part of the fuel cycle, without the enrichment process we cannot achieve the Koreanization of the nuclear fuel cycle, nor can we achieve nuclear-energy security.

Possessing eight light-water reactors and having already established their economy, we must no longer put off securing enrichment facilities. This is even more the case given the energy-security nature of the problem.

Also, just as with enrichment facilities, as long as we have no "reprocessing" facilities, it will be impossible to make our nuclear-industry truly advanced. The gains brought by reprocessing are as follows. First, reprocessing produces several hundred varieties of isotope, including transuranium isotope (possible to produce only by reprocessing), used for a variety of purposes: medical, agricultural, industrial, measuring instruments, chemical compound synthesis, and so on.

Second, some uranium remains in the nuclear fuel after use. This is also a valuable resource. Third, through reprocessing, a valuable resource for nuclear energy, plutonium, is extracted from spent nuclear.

If the ROK only had reprocessing facilities, it could extract 2.4 tons of plutonium every year from 240 tons of used nuclear fuel. Plutonium is used as fuel for high-speed breeder reactors. An almost magical nuclear reactor using plutonium as a fuel to create new plutonium, the high-speed breeder reactor makes possible an epoch-making recycling of resources, extending the use of uranium over 60 times. Lastly, reprocessing itself is an invaluable, peaceful technology for treating nuclear-energy byproducts: it divides and treats resources to be recycled from waste material to be disposed of.

Abandoning such precious enrichment and reprocessing facilities, the "8 November Denuclearization Declaration" was nothing more than a result of our obedience to the hegemony-seeking, non-proliferation policy of the nuclear powers, who seek to prevent both North and South Korea from possessing nuclear-weapons potential. Once we possess these facilities, we will have considerable political and diplomatic influence on the international stage.

No lengthy explanation is needed when we consider the gains made by the DPRK with one, not even completely built, reprocessing facility. At the same time, advanced nuclear energy signifies our influence as a people after reunification. As this cannot be achieved in a day, we must understand that we are wasting precious time.

What, then, would be an autonomous nuclear policy? What our nuclear policy must be and where we must go have already been revealed in the matters discussed above. To enumerate these a little more systematically, we must complete two supreme tasks. One is that we must wipe out the nuclear threat from our immediate enemy, the DPRK. The other is that we must set up a nuclear policy preparing for unification, taking into account the dual nature of the DPRK as our companion, who together with us must achieve unification in the future.

To establish and promote an autonomous nuclear policy, first, we must reverse our abandonment of enrichment and reprocessing facilities and secure these facilities as soon as possible. Second, we must actively nurture our nuclear-energy industry and make an issue of the U.S. discriminatory policy which denies us even the "basics" while permitting Japan enrichment and reprocessing, as well as allowing it to stockpile large quantities of plutonium.

Third, by raising our intelligence capability and gaining "eyes," we must cultivate a space industry so that we do not depend intelligence provided by foreign countries.

Fourth, we must clearly renounce military use of nuclear power and increase opening and self-inspections one step. We must limit to nuclear weapons our "undressing-together" nuclear policy toward DPRK and, to the extent that is legal, we must switchover to a "dressing-together" nuclear policy (while not permitting imbalance between North and South Korea).

Fifth, converting from an unconditional linkage policy to a selective one, we must search for a North-South dialog separating the nuclear and exchange issues.

Sixth is elevating our diplomatic image on the international stage by participating in Third-World nuclear diplomacy while improving the one-sided, Korean-American nuclear relationship, making it more of a partnership,

If we admit that we should establish and promote an autonomous nuclear policy, learning from the 6th Republic's nuclear policy, then there is still a chance for us. We must play our part in the diplomatic battle to take place in the NPT negotiations opening in 1995.

In our position, we must hurry the development of nuclear energy, if for no other reason than to minimize the dilemmas left to us by the nuclear policy of the 6th Republic, in the sense of maximizing the use of the dual nature of nuclear power and of approaching security and energy issues simultaneously. The year 1995, then, will truly be our best opportunity for securing the right to unlimited, equal use of nuclear power, by making the most of our negotiating ability.

As a plan for using this opportunity productively, we can first think of a staged approach. First of all, while supporting a limited, three-to-five year extension of the NPT, as a non-nulcear member, we need to align ourselves with the position advocated by the Third World.

In the second stage, through negotiations with the United States, we receive a guarantee of our right to legitimate, peaceful use of nuclear power. The ROK should consider supporting an indefinite or 25-year extension of the NPT in the third stage, under the condition that our right to the autonomous use of nuclear power is secured in the second stage.

The ROK must revise the inadequate Korean-American Nuclear Energy Agreement [Hanmi Wojaryok Hyopjong] and, while receiving inspections, improve its present status as an uninspected country unable to handle plutonium. It is obvious that as long as we guarantee transparency and comply with international inspections, there should be no restrictions on our research and development of civilian technology, such as enrichment and reprocessing.

The past's hasty expression of a "supportive position" toward the United States is now taboo. We must understand that the era has passed in which this form of nuclear diplomacy is justified under the name of "diplomatic reality."

Nuclear diplomacy must no longer be the exclusive property of one ministry. We must understand that the time has come when there is no problem with most nuclear diplomacy progressing in the open after receiving the official approval of the relevant organizations and public opinion.

In January of this year, we signed a chemical weapons treaty. In his September, 1992 speech before the UN, President Roh Tae-woo said that we would do this, so we had no choice. Of course, this signing was done without any mention of the large number of chemical weapons maintained by the DPRK.

We demanded no concessions of the United States either. The "diplomatic-realtiy" logic was once again emphasized: "It's okay to give sooner what we have to give eventually, anyway." Nuclear policy must not be repeated in this way.

It would be absurd for us to promise support for an indefinite extension of the NPT before the U.S. begins "underwater diplomacy" in earnest.

Cellular Phone Company To Seek Foreign Partners

SK0303050794 Seoul THE KOREA TIMES in English 3 Mar 94 p 8

[Text] The chief executive officer of a Pohang Iron and Steel Co. subsidiary, selected as the major shareholder of the projected cellular phone business, said yesterday that he would choose foreign partners in a few months through consultation with the Federation of Korean Industries [FKI].

"It will take one or two months to tap a few foreign partners for the second cellular telephone company," said Kwon Hyok-cho, president of Sinsegi Mobile Telecomm. "We will soon have contacts with the FKI and the Communications Ministry to fix the timetable for our new service."

Sinsegi was awarded a 15 percent stake in the international consortium for the project at the end of two months of intensive screening by the FKI that ended Monday. Its rival, Kolon group, will have a 14 percent interest.

The two large shareholders, which will share management, have to present a detailed business plan to the ministry by June 30.

Under an agreement signed by the FKI leadership and the chairmen of Pohang Iron and Steel and Kolon, three to four foreign companies will be given a combined share of 20.2 percent in the "grand consortium" rearranged by the FKI and composed of over 160 partners.

Kwon strongly suggested that Qualcom and Tactel, both American companies, with which Sinsegi set up partnerships for the 1992 and 1994 tenders would be assured of privileges as "they have high levels of technologies" though their contracts were nullified by the accord.

His remarks are likely to invite arguments from former partners of other consortia which failed in the bidding.

The accord just stated, "Foreign enterprises that promise to offer the most excellent technologies at the cheapest cost and in more favorable terms will be selected as partners."

A total of 11 foreign companies in the three consortia, each led by Pohang Iron and Steel, Kolon and Kumho, vied for access to the business

Foreign partners will be excluded from management. They will only have the right to recommend one member of the board of directors who will be in charge of technological service.

The projected company will begin operation in 1996.

Burma

Commander Urges Vigilance, Warns of Subversion

BK0303044894 Rangoon Radio Burma in Burmese 1330 GMT 2 Mar 94

[Text] Lieutenant General Myo Nyunt, chairman of the committee for holding the 49th Armed Forces Day and the management committee for Armed Forces Day and commander of the Yangon [Rangoon] Military Command headquarters, met with and addressed officers, noncommissioned officers, and rank and file who will participate in the military parade at Hlaing Stadium in Hlaing Township at 0800 today.

Speaking at the meeting, Lt. Gen. Myo Nyunt said the Defense Services, which have been fighting various armed organizations since 1948, have been modernizing the Army, the Air Force and the Navy step by step and have remained consolidated and strong to this day. The Defense Services have been organized and trained in order to serve the three cardinal causes [nondisintegration of the Union; nondisintegration of national unity; perpetuation of national sovereignty].

Lt. Gen. Myo Nyunt said our Defense Services must have quality and be one with the people, constantly striving to maintain their prowess. Today's Defense Services are endeavoring to build a peaceful and modern nation and the major requirement for this endeavor is peace.

At a news conference held on 16 February in Bangkok, U.S. Congressman Mr. Bill Richardson said: The Burmese should settle the Burmese issue, and not outsiders. He also said: I am not a Burma expert. Nonetheless, I have been involved in human rights in Burma in connection with an amendment that provided financial assistance to some Burmese dissident groups.

Lt. Gen. Myo Nyunt said it was therefore necessary to constantly expose those organizations opposed to the government. Likewise, he said, some organizations who cannot bear to see the forthcoming 49th Armed Forces Day ceremony because it precedes the golden anniversary of the Defense Services are likely to resort to overt and political means to receive assistance from armed organizations in the jungles, to instigate people from behind, and to infiltrate the economic sector by manipulating rice prices and causing high prices of commodities to create hardship among consumers.

Continuing, Lt. Gen. Myo Nyunt said external radio stations and certain organizations and persons who pine for the outsiders have plans, as in the past, to collude in creating impatience and anger among the members of the Defense Services from various military commands and divisions who will be marching in the 49th Armed Forces Day parade in order to get what they want according to their plan.

Those opposing us are using force as well as subtle peaceful means and if these methods fail they are likely to resort to unrest. Therefore, it is necessary for members of the Defense Services to uphold the motto "Plotting to cause the disintegration of the Defense Services is unacceptable; those striving to cause the disintegration of the Defense Services are our enemy" and to remain undaunted despite attempts to frighten you. He urged those present to have political, military, administrative, and economic awareness and to be vigilant about security. In accordance with the belief that the strength of the nation lies within, it will be necessary to join forces with the strength of members of the Union Solidarity and Development Association.

Forestry Minister Leaves for India, U.S.

BK0103145094 Rangoon Radio Burma in Burmese 1330 GMT 1 Mar 94

[Text] A Myanmar [Burmese] delegation led by Lieutenant General Chit Swe, member of the State Law and Order Restoration Council and minister of forestry affairs, left Yangon [Rangoon] by a Thai International flight this evening to attend the first ministerial meeting on the world's tigers to be held in New Delhi, India.

The delegation was seen off at Yangon airport by Agriculture Minister Lt. Gen. Myint Aung, Hotels and Tourism Minister Lt. Gen. Kyaw Ba, Indian and Japanese ambassadors, American and Singaporean charge d'affaires, departmental heads and advisers from the ministry of forestry affairs, responsible personnel, and relatives.

After attending the meeting, the minister will leave for a visit to the United States at the invitation of a U.S. senator.

Brunei, Malaysia & Singapore

Malaysia

Reaction to UK Press Allegations Continues

Mahathir: No Reversal of Ban

BK0303091094 Kuala Lumpur Voice of Malaysia in English 0600 GMT 3 Mar 94

[Text] Datuk Sri Dr. Mahathir said he and his cabinet will not do anything, including reversing the decision to ban British firms from new government contracts, until the British press learns to speak the truth. He said it is very difficult for the British press to report the truth.

He said Malaysia is not asking British Premier John Major to apologize or anyone else to do anything to solve the existing relations between the two countries. However, the prime minister said this is the time for the British press to do the right thing.

He was replying to questions posed by newsmen after attending the breaking of fast with the orphaned and handicapped children in Kuala Lumpur. Datuk Sri Dr. Mahathir said that the decision made in the cabinet meeting last Friday has nothing to do with the British Government, people, and its businessmen.

When asked about Major's statement that Malaysia is shortsighted and unjustified in banning British firms from new government contracts, Datuk Sri Dr. Mahathir said he will find out whether Major's statement was true or just misreported by the British press.

Defense Minister on British Frigates

BK0303092494 Kuala Lumpur Voice of Malaysia in English 0600 GMT 3 Mar 94

[Text] Defense Minister Datuk Sri Najib Tun Razak said the purchase of the Royal Malaysian Navy's frigates worth 1.2 billion ringgit from a British company was a genuine value-for-money buy. Denying an allegation that the government had been ripped off by the company Yarrow Shipbuilders, he said as far as the armed forces was concerned, the purchase was within the requirement.

He said the contractor had quoted a figure of 1.4 billion ringgit, which was in line with the minister's evaluation of the market value. The proposed purchase included the weaponry systems fitted on the ship, which was almost equivalent to the type (Silver Creek) frigate, a bigger class frigate (?acquired) by Malaysia.

When the contract was signed, the pound sterling was at 3.7 against the ringgit. Datuk Sri Najib said he had no (?clues) to seek legal action on the allegation made by the British opposition MP Stephen Byers, that Yarrow had ripped off the government. He was speaking to reporters after the ministry's [words indistinct] in Kuala Lumpur.

Hurd Statement Confirms Charges

BK0303091994 Kuala Lumpur BERNAMA in English 0842 GMT 3 Mar 94

[Text] Kuala Lumpur, March 3 (OANA/BERNAMA)—Foreign Minister Abdullah Ahmad Badawi said Thursday that a statement by British Foreign Secretary Douglas Hurd Wednesday confirmed that the British media actually published stories which were untrue and figments of the imagination to smear the name of Malaysian leaders.

Describing Hurd's statement to the House of Commons foreign affairs select committee as good, Abdullah said it confirmed Malaysia's view that the British media did not have an understanding of what it reported.

He (Hurd), therefore, understands why Malaysia had to take such action (to stop awarding any more government contracts to British companies), Abdullah told reporters.

Hurd was reported to have said that the British media reports on the Pergau dam and claims related to it were creatures of fancy and that many of those who write evidently live far from the real world in which we want Britain to thrive.

Hurd had also described the British media allegations against the dam project as swirls of speculative allegations with no connection with the Pergau project. He had also said that the British media allegations had severly damaged British interests, particularly in trade.

The Malaysian Government announced last Friday that the cabinet had decided to stop awarding any more government contracts to British companies following allegations the British media had hurled incessantly at Malaysian leaders, including Prime Minister Dr Mahathir Mohamed.

Editorial: UK Press 'Irresponsible'

BK0203165094 Kuala Lumpur NEW STRAITS TIMES in English 1 Mar 94 p 12

[Editorial: "A Case of Sour Grapes"]

[Text] It is indeed unfortunate that British industries, which are in dire need of foreign business to keep them going, should now suffer the consequences of their irresponsible press. The height of its mindless communication, as manifested in its utterly ridiculous allegations against the integrity of our leaders, threatens to cripple the British industries and relations between the two countries.

But nobody, not even the Government there, seems to be able to imbue the British Press with a sense of being responsible. Perhaps it is now up to those who suffer and have to survive the consequences of their fallen fourth estate who must exhaust their resources to do something about it.

Since the British Government seemed to shy away from doing anything concrete to rebut the ridiculous and unsubstantiated allegations made, the maligned Malaysian Government seems to have no choice but to end all further dealings with British companies.

Indeed, why should the Malaysian Government give contracts to British companies, only to suffer various allegations and ridicule in the British Press? As the Malaysian Government cannot expect justice or reasonableness from the once-respected British Press, it should not be blamed for assuming it could not hope for justice from a British court should it decide to take legal action against the offending newspapers.

Perhaps the Malaysian Government, in its wisdom, knows that taking the newspapers to the British courts would be a lengthy process bound to tie up human and financial resources which are better utilised for the development of the country. In any case the British Press has not shown due respect to its own legal system. It openly criticised court judgments.

As such, there is nothing that could stop it from further maligning our leaders should the court rule in favour of the Malaysian Government.

The British Press always prides itself in being free, independent and liberal. This may seem so. But while it may be free from Government influence, it can never be free from editors who are beholden to the owners. The history of the British Press is full of examples of independent editors of newspapers being put out on the streets by the owners. A landmark example was when Harold Evans had to leave after he disagreed with Rupert Murdoch, who had just then acquired THE TIMES.

The British Press and some British Ministers, in trying to justify the ferocity of their attacks against Malaysia and the Malaysian leaders, have often referred to the Malaysian Press as being controlled by the government. What they failed to recognise is that the Malaysian Press has not only been responsible but has been instrumental in helping to create a stable, peaceful and harmonious multiracial Malaysia that is on the threshold of becoming an industrialised country.

Malaysia, unlike Britain, is built on the foundation of mutual respect among members of society—the press included. It is this respect that is fostered, and allowed to grow and spread, that has helped establish a strong and industrious nation. This formula is so successful that even the British companies benefited by way of trade and contracts.

Unlike the British Press, the Malaysian Press does not believe in opposing for the sake of proving a point or showing that it is powerful and independent. It is a part of the national tradition and we are proud of our role.

Commentary Discusses Philippines Economic Ties

BK0203103994 Kuala Lumpur Voice of Malaysia in English 0800 GMT 2 Mar 94

[Station commentary]

[Text] The prime minister Datuk Sri Dr. Mahathir Mohamed's official visit to the Philippines, the first by a Malaysian premier to that country, is already yielding results. The Philippine Government is keen and serious about enhancing trade relations with Malaysia. And this should be the case with [words indistinct] ASEAN. In response to Dr. Mahathir and his delegation's visit to the Philippines in February, a high-powered multimember delegation from the Philippines paid a two-day visit last weekend to the Federal Territory of Labuan off the East Malaysian state of Sabah. The Philippine delegation was truly interested in knowing more about the development of Labuan as an offshore financial center and also about foreign investment opportunities in both the East Malaysian states of Sabah and Sarawak. What is encouraging is that the visit showed the commitment of the Philippine Government to the development of the East ASEAN Growth Area. The visiting mission was given a detailed briefing on the investment opportunities available in Labuan as well as in Sabah and Sarawak.

It is noteworthy that the Philippine delegation's visit was the first by a well-represented government and private sector mission from that country. What seemed to interest them was the function of Labuan as an international offshore financial center, or IOFC. The delegation included a group of bankers who appreciated the IOFC concept being adopted in Labuan. The president of the Philippine National Bank has been quoted as saying his bank was considering setting up an offshore bank in Labuan. The bank would like to finalize joint financial undertakings not only with the Malaysian Government but also with the private sector.

Cooperation between the Philippines and Malaysia is certainly on the way up. One of Malaysia's leading companies is currently involved in the development of infrastructure in the Philippines. Malaysian participation in the power supply, stock development, and telecommunication sector will also be welcomed in the Philippines. [Words indistinct], both countries can help each other to promote their respective tourism industry. The idea of setting up a regional air link needs serious consideration. The visit by the Philippine president, Fidel Ramos, to Malaysia last year and the reciprocal visit by Dr. Mahathir have opened the way for increased cooperation between the two ASEAN partners. The private sector of the two countries should take this opportunity to go into joint ventures for their mutual benefit.

Singapore

UK Media Treatment of Malaysia Dispute Viewed

BK0303094494 Singapore BUSINESS TIMES in English 1 Mar 94 p 14

[Editorial: "Major can help break impasse"]

[Text] It was inevitable that Malaysia should have reacted angrily to British newspaper allegations that there was something underhand about the deals involving the Pergau Dam and the purchase of British military equipment. The British Audit Office may have indeed concluded that the Pergau Dam would not be an economic proposition and should not be built. But it is for Malaysians to decide. Malaysia has brilliant think tanks, an effective parliamentary opposition, and a highly vocal environmental lobby. The British certainly don't have any special wisdom that has missed all of them. Nor should British papers assume that concessionary loan arrangements in return for purchase of warplanes and contracts for major development projects are unusual. If such linkages are prohibited in Britain, that is for the British Government to answer. It has nothing to do with Malaysia. And there is simply no link between these deals and the BMF [Bumiputera Finance] affair. In fact, it says something about the British press that it has only now discovered that scandal. Carrian [company] collapsed a decade ago. All the BMF offences were committed in colonial Hongkong. Most of the people involved remain in the British colony's jurisdiction. London has seen it fit to grant Lorraine Osman [former BMF official] residence in Britain after he served a short sentence in a plea bargain deal. British newspapers could still demand an accounting, if they are so inclined. Britain could set up a full inquiry into the affair and override colonial inhibitions. Instead, British papers dredge up some old BMF stories and link it tenuously to the Pergau Dam payments.

Truth to tell, the British newspapers have their own political agenda: they want to bring down John Major and the Tory government. The editors feel that the Conservatives have been in power too long. Some of them also feel that Major's government has been dishonest in telling them Britain would never deal with terrorists while holding secret negotiations with the Irish Republican Army. Mr. Major's Back-To-Basics policy has also gone seriously awry. It was meant to distract attention away from high unemployment and other economic woes. The Tory right wanted to use it to punish single mothers and others living off social welfare. Unfortunately, the British press decided that Tory politicians should be held to the same moral standards that they prescribe for others. The result was a series of embarrassing disclosures for Mr. Major. The Pergau Dam and the arms deal has become yet another bludgeon against Mr. Major.

None of this would have bothered Malaysia except that in the process the British papers began to attack Mahathir Mohamed personally, without a shred of evidence. It was too much. But a shutout of British firms from future government contracts is a very blunt instrument of retaliation indeed. It punishes the wrong people. More importantly, it dilutes the principles of free trade and competition. On his part, Mr. Major should help to limit the damage to British industry. Of course, he has no control over the British press. He should, however, officially disassociate his government from these scurrilous reports. It may only be a simple symbolic act but it might help to break the impasse.

Cambodia

General Says KRAF Still Controls Anlung Veng

BK0203144394 Phnom Penh National Radio of Cambodia Network in Cambodian 1300 GMT 2 Mar 94

[Text] On the morning of 2 March, Brigadier General [name indistinct] informed reporters that the Anlung Veng area bordering Thailand in northern Cambodia—which government forces captured from the Khmer Rouge on [words indistinct]—was still under the control of government troops. This was a clarification of news reports that the Anlung Veng area had been retaken by the Khmer Rouge.

Brig. Gen. [name indistinct] pointed out that in an effort to expand their territory, Khmer Royal Armed Forces [KRAF] troops were currently clearing mines laid around the area by the Khmer Rouge. The Khmer Rouge regrouped its troops in a bid to harass [words indistinct], where they cut down logs to sell to Thai merchants when they still controlled the area.

The general said: Our helicopters [words indistinct] to bring supplies to KRAF troops in the Anlung Veng area and help to defend the area as well.

It is worth recalling that Anlung Veng is the Khmer Rouge's major stronghold, built in 1979.

Radio: 25 Feb Battambang Attack Repulsed

BK0303023694 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 2 Mar 94

[Text] Some days ago, puppets of communist Vietnam and the two-headed government gathered troops at Kouk Tbeng and Ta Sanh villages on south Sisophon battlefield [Battambang Province] in an attempt to attack and rob people's property and attack Democratic Kampuchea in the liberated zones.

On 25 February, National Army of Democratic Kampuchea forces and the people joined together, attacked, and routed these troops. As a result:

1. More than 10 AK rifles, over 300 hand grenades, five SK rifles, three RPD guns, an M-18 gun, two B-40 rocket launchers, 10 rucksacks, 10 field radios, and other materiel were seized;

2. Eighteen of the attacking troops were killed and 15 others wounded; more than 10 AK rifles, [words indistinct] were destroyed. Three soldiers were captured.

Indonesia

Editorial Welcomes U.S. Extention of GSP

BK0203132294 Jakarta THE JAKARTA POST in English 23 Feb 94 p 4

[Editorial: "Waiting for GSP Extension"]

[Text] The United States government's decision to grant Indonesia another six months in which to improve the protection of its workers rights before deciding whether to extend or with draw its Generalized System of Preferences (GSP) surely portends an eventually satisfactory solution to that issue. We, thus feel that we can rest assured that the American government will opt for the most rational measure to maintain good, productive relations and mutual understanding with Indonesia.

Extending the validity of the GSP facility seems to be the best alternative, seen from at least two major points of view.

First of all, now is the worst time for the U.S. to pick a fight with Indonesia, the chair of the Nonaligned Movement, which will host the next annual summit of the Asia-Pacific Economic Cooperation forum in November. Withdrawal of the GSP facility not only would unnecessarily become a thorn in the side of the otherwise good and mature relations between the two countries but also would be counter-productive to the United States' noble objective of helping improve human and workers' rights.

The Indonesian Government which has now become increasingly assertive in international fora, obviously dreads the political more than the economic impact of the stoppage of the facility. After all, the $650 million worth of exports that it might lose with the GSP withdrawal would only make a small dent in its total exports of more than $30 billion. What would hurt most would be the "political slap in the face" of a government which has been priding itself on many internationally-acclaimed development achievements.

However, the most important point is the fact that the Indonesian Government has fully understood the message of the United States' threat to withdraw the GSP facility. The government has been making concerted efforts to improve the protection of workers' rights. The trade union movement has been restructured to make it a more effective forum for the protection of those rights. The decree that allowed military intervention to break strikes has been revoked and the minimum daily wages have been increased.

The government may perhaps violate the International Labor Organization's convention by allowing only one trade union but that, we think, is not "the end of the world" in terms of the workers' plight. In fact, that issue is more political in nature than it is economic.

In a country where millions of people are fully unemployed and over 30 million are under-employed, the political right to organize is certainly not top priority in the agenda for the protection of workers' rights. [sentence as published]

What the government has been doing to force employers to improve the lot of their workers counts much more than the mere existence of hundreds of trade unions, which are either impotent or technically incompetent to negotiate anything economically viable with powerful employers, or which are simply trigger-happy bodies ready to resort to strikes anytime they want to demand something.

Obviously, the protection of workers' rights should not be seen nor undertaken as a oneshot measure, but should be treated as an ongoing process, which follows the stages of economic development and which should take into account the international market competition.

It would be futile or even disastrous to the economic stability of this nation if the government, under strong pressure from outside, enforced minimum wages at such high levels it might drive many employers into bankruptcy.

We fully understand that a facility or trade privilege, such as GSP, normally imposes certain economic and political requirements. But the enforcement of such requirements should take into account what is economically and politically feasible in the country beneficiary at a particular period of time and what should be postponed until a more appropriate time rolls around.

Minister: Fifth Plan Investment Target Surpassed

BK0203154094 Jakarta THE INDONESIA TIMES in English 19 Feb 94 p 3

[Text] Finance Minister Mar'ie Muhammad said that a total of around Rp. [Rupiah] 371.2 trillion in investment funds was successfully collected under the Repelita V [Fifth 5-Year Development Plan] (1989-1994) or 55.3 percent higher than the target of Rp. 239.1 trillion during the same period.

The investment funds intended comprised public investment of around Rp. 270.4 trillion or about 105 percent higher than the target of Rp. 131.8 trillion and government investment of Rp. 100.9 trillion or six percent lower than the projected Rp. 107.5 trillion.

As such, the role of public investment during the period intended was bigger than the role of the government investment. If the target of investment which was projected under the Repelita V comprised public sector (55 percent) and government sector of 45 percent, the realisation of the comparison was estimated to change into 72.8 percent (public sector) compared to the government sector of 27.2 percent. It was also projected that the public sector's role will increase to around 75 percent compared to the government sector's sector [as published] of 26 percent under the Repelita VI (1994-1999).

Mar'ie Muhammad made the remark when explaining the results which had been achieved during the Repelita V period in a working meeting with the State Budgetary (APBN) Commission of the House of Representative (DPR) which was led by the commission's chairman, Drs. [academic title] Afif Mar'uf, here on Friday. To last until February 22, the meeting constitutes the third phase of discussion concerning the draft of the 1993-1995 budget year between the government and DPR. Bill for the 1994-1995 budget year between the government and DPR.

Furthermore, the minister said the source of financing development which was originally from home savings reached around Rp. 341.7 trillion under the Repelita V or about 92 percent out of the whole source for the financing of development. While the total of foreign loans during the same period was estimated to reach only Rp. 29.6 trillion or about 18 percent out of the total source.

Mar'ie said the success of development in Repelita VI did not close the fact that there were obstacles which need to be coped with in facing the implementation of the national development in the future. "Parallel with it, the development also creates various problems and new challenges which are not taken into account before," he said.

Mar'ie went on to say that the policy and development programmes which will be applied under the Repelita VI will be directed to the utilisation and development maximumly the available development potential as well as taking benefits of every opportunity both at home and abroad by constantly paying attention to the obstacles which might be faced. [sentence as published]

He explained the success of development under the Repelita V because the government and DPR shared the same opinion that the results which had been achieved during the Repelita V will become one of the basis in deciding the steps which will be taken in effort to achieve the target of economic macro [as published] under Repelita VI.

Touching on foreign loan which was projected to reach about Rp. 10.012 billion under the 1994-1995 budget year, Mar'ie said that around 72 percent out of the total intended will constitute assistance for government projects, 26 percent for export credit and around 2 percent for technical assistance. The foreign loan intended, among other things, will have no political connection, while the amount of foreign loan is adjusted with the capability to repay in the future," Mar'ie said.

No 'Political Intrigue' Behind Bank Scam Probe

BK0203013694 Jakarta ANTARA in English 1419 GMT 2 Mar 94

[Text] Jakarta, Mar 2 (ANTARA)—The Attorney General's Office Wednesday denied allegations that "political intrigue" was behind its current investigations of the Bapindo [Indonesian Development Bank] bad debt case.

The office's chief information officer, Dr. Suparman Sh [Master of Law], in a talk with newsmen here also dismissed as untrue suggestions that it was conducting the enquiry "under pressure".

"What we are investigating now is a pure penal case and there is no political intrigue behind it nor are we being pressured by anyone," he said.

However, he said he could not guarantee that the case would remain a pure penal case. "Nobody can be sure that the case will remain so," he said.

Suparman also refuted media reports criticizing the Attorney General's Office for allegedly not being very objective in deciding who had to be subjected to questioning in connection with the Bapindo credit scam.

"We are not discriminative in our investigations. If to date we have detained only two persons this is merely in accord with the evidence collected so far," he said.

Since the inquiry of the case began the Attorney General's Office has detained two persons, namely E.T., chairman of GKG [Golden Key Group] group of companies and Sup, former deputy head of Bapindo's Kuningan branch office.

A number of other persons often mentioned in the media as being most probably involved in the case, have so far not been arrested.

Suparman said in conducting the inquiry into the Bapindo bad debt case the Attorney General's office was sticking strictly to the penal code (KUHP), other relevant laws and regulations as well as banking laws.

He called on the public to observe self-restraint in making comments on the on-going investigations of the case, saying that comments not based on precise knowledge of the matters at hand would only mislead society.

Meanwhile E.T. was today again interrogated by Attorney General's Office investigators.

On Tuesday Kusno Aksan, a top management officer of three companies owned by E.T., was questioned by Attorney General's Office agents as a material witness.

Laos

General Hails Thai Action Against Vang Pao

BK0303121994 Vientiane KPL in English 0938 GMT 3 Mar 94

[Text] Vientiane, March 3 (KPL)—Brigadier General Douangchai Phichit, secretary of the Lao-Thai Border Security and Order Commission, February 28, informed KPL correspondent that the news that Thai authority is charging and trying to apprehend former army generals of the old Vientiane regime—Vang Pao and Thonglit Chokbengboun—was welcomed in Laos, adding that this was a good omen for the increasing relations between the two neighbours.

The two men were charged and sentenced as enemies of the nation and sentenced in absentia by the present regime following the establishment of the Lao PDR [People's Democratic Republic] in 1975. The men and their followers were recently charged by the Thai authority for generating threat to security in Thailand by destabilising security and order along the Lao-Thai border with an intent to overthrow the regime of the Lao PDR, thus jeopardising the relations of good neighbours between Laos and Thailand, particularly threatening those living along the border.

Brigadier General Douangchai Phichit said that the bilateral relations lately have seen marked progress, particularly since the first through third meetings of the Joint Cooperation Committee for Border Security and

Order. This has created favourable conditions for making the two countries's border a border of peace and friendship. He pointed out that joint border committees have been created in several places and memoranda of understanding have been signed. One of the tasks of these committees is to weed out bad elements that wish to create trouble and destabilise the situation.

He concluded by hoping that the Thai authority will take appropriate measures to deal not only with Vang Pao and Thonglit Chokbengboun but others whose intention is to disturb peace and security along the Lao-Thai border.

'About 20,000' Refugees Await Repatriation

BK0203111194 Vientiane KPL in English 0923 GMT 2 Mar 94

[Text] Vientiane, March 2 (KPL)—The labour and social welfare service of Vientiane Prefecture, on February 28, received from Thai Nongkhai authority 92 Lao families who formerly lived in Thai refugee camps.

The handing-over ceremony of 307 refugees, the first group in 1994, at Hatsaifong District administrative office was attended by all sides concerned including a representative of the UNHCR here, Mr. Hiromi Suzuki.

There are still about 20,000 Lao refugees living in Thai camps who will return home within this programme.

Cooperation Documents Signed With Russia

BK0203010494 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 2 Mar 94

[Text] This morning in Vientiane capital, Khamphoui Keoboualapha, deputy prime minister and chairman of the Committee for Planning and Cooperation, received a courtesy call from Victor Khlystun, minister of agriculture and foodstuffs of the Russian Federation and chairman of the Russian-Lao Governmental Committee on Economic, Trade, Scientific, and Technical Cooperation, and his entourage.

The deputy prime minister of the Lao People's Democratic Republic hailed the visit by the Russian delegation, noting that it serves to further promote and strengthen the long-standing solidarity, friendship, and cooperation between Laos and Russia.

Earlier on the evening of 1 March at Lan Xang hotel in Vientiane capital, a ceremony was held to sign a memorandum between the Lao and Russian Governmental Commissions on the Economic, Trade, Scientific, and Technical Cooperation and a cooperation agreement between the Lao National Council of Trade and Industry and the Russian Council of Trade and Industry. Signing the documents on the expansion of Lao-Russian cooperation on investment for the Lao side were Sompadit Volasan, minister of trade and chairman of the Lao commission; and Sisouk Sisombat, chairman of the Lao National Council of Trade and Industry. Signing for the Russian side were Victor Khlystun, minister of agriculture and foodstuffs and chairman of the Russian commission; and (Gennadiy Roskoskov), trade representative of the Russian Federation to Laos. According to the two documents, the two sides have agreed to render immediate assistance to organizations concerned to set up a joint Lao-Russian business venture on the basis of the laws of each country. The Russian side expressed their readiness to study proposals to ensure the normal operations of all business enterprises and projects set up during the period of technical assistance provided by the former Soviet Union. As for scientific and technical cooperation, the Lao side reaffirmed its readiness to set up scientific and technical cooperation with Russia on the basis of the utilization of its own natural resources, technical lessons from Russian, and funds from third countries, the IMF, and interested businessmen. The fundamental task of this cooperation program is the protection of the environment, the conservation and restoration of forests, the raising of the level of harvest efficiency, the eradication of crop pests, and mining and exploration.

ASEAN Secretary-General Ends Visit, Departs

BK0303110494 Vientiane KPL in English 0919 GMT 3 Mar 94

[Excerpts] Vientiane, March 3 (KPL)—Ajit Singh, ASEAN general secretary, and his wife, yesterday returned home ending his four-day official visit to Laos at the invitation of the Lao foreign minister. [passage omitted]

Seeing the ASEAN general secretary off at the airport were Souban Salitthilat, acting foreign minister, and ambassadors of Malaysia and Thailand to Laos. [passage omitted]

This is the first visit to this non-ASEAN member country ever made by the ASEAN general secretary to consolidate ties of friendship and cooperation between Laos and member countries of the ASEAN, on the one hand, and to pave ways for the acceptance of Laos to ASEAN membership at a proper time, on the other.

UNDP Issues Report on 1992 Foreign Aid

BK0203104394 Vientiane KPL in English 0904 GMT 2 Mar 94

[Text] Vientiane, March 2 (KPL)—The latest development cooperation report to be compiled by the United Nations Development Programme [UNDP] has been released.

The report, which contains information and analysis of the sources and uses of external assistance to the Lao PDR [People's Democratic Republic] for 1992, estimates a total of U.S. $167.3 million—6 percent less than the amount of U.S. $177.3 million development assistance registered the year before, indicated the UNDP press release.

It is estimated that approximately 55 percent of the total government budget for 1992 was funded through external assistance inflows.

The bulk of this development assistance, U.S. $88.6 million or 52.9 percent, originated from multilateral sources, mostly in the form of concessional loans.

UNDP or UNDP-administered funds, amounting to U.S. $11.9 million or 7.1 percent of the total, provided the largest multilateral source of outright grants.

Among the bilateral donors, Japan and Sweden were the major sources of aid, each disbursing over U.S. $22 million or 13 percent of the total.

The 24 non-governmental organisations engaged in development and humanitarian activities in the Lao PDR in 1992 reported a total disbursement of U.S. 6.3 million (3.8 percent).

In 1992 the transport sector became the top aid recipient (23.7 percent of the total), followed by economic management (19.9 percent) and agriculture, forestry and fisheries (16.8 percent). The communications sector also received a substantial share with 10.4 percent.

Philippines

Study Highlights Problems With IPR Process

BK0303051594 Manila MANILA BULLETIN in English 28 Feb 94 p B-10

[By Estefania S. Ermita]

[Text] Adjudication of cases involving violations of intellectual property rights (IPR) in the country has remained problematic because of numerous constraints, says a recently released study. According to the study, the country's IPR laws need strengthening and updating to become effective. While IPR complaints have been routinely filed with the Department of Justice, most IPR cases have not resulted in convictions of alleged violators. Most IPR cases have been settled out of court. In the few cases where the court has ruled in favor of IPR owners, the convicted were punished with a small fine, or put on probation without serving their prison terms.

These are among the findings of a study commissioned by the Philippine Exporters Confederation (Philexport), through its Private Investment and Trade Opportunities—Philippines (PITO-P) project. The SRI [Stanford Research Institute] International-Washington team conducted the study. Rico Domingo led the SRI study team. Other team members were: Carlo Carag, technical expert; Peter Boone and Ophelia Yeung, international economists.

The study acknowledges the increasing international consensus about the need to protect intellectual property to encourage technological and artistic innovation. Indeed, the recently concluded Uruguay Round of the General Trade and Tariff Agreement's program to come out with a multilateral global trade framework has agreed for a stricter intellectual property protection standards. The study suggests several reforms to protect and enforce intellectual property in the country—fully consistent with international standards. These reforms involve changes on the IPR regime itself, the streamlining of the IPR adjudication process and the prevention of intellectual property violations.

According to the study, its survey of intellectual property owners and representatives has shown that the Philippine judicial system is not at all effective in enforcing IPR violations. The general constraints to IPR adjudication in the Philippines include the following:

—low priority given to IPR protection;
—inadequate resources and training for IPR enforcement agencies;
—possible judicial and government agency bias against multinationals;
—lack of information and knowledge on IPR laws among enforcement agents and judicial officers;
—public apathy or lack of awareness;
—lack of coordination among IPR enforcement agencies;
—overall inefficiency of the judicial system; and corruption.

The study identifies these legal regime problems:

—overly technical and stringent evidentiary requirements;
—tenuous legal authority among enforcement agencies to expedite IPR violations; and
—inadequate fines and criminal penalties.

The adjudication system is equally difficult, says the study. The investigation stage has the following problems:

—difficulties obtaining receipts to prove sale of counterfeit items;
—difficulties establishing identity of intellectual property violators;
—problems finding witnesses to sign affidavits;
—availability of judges,
—refusal by owners to allow entry during raids and in the serving of search warrants;
—"protection" offered to infringers by "influential friends";
—and; lack of storage space for seized evidence (counterfeit and pirate goods).

During the prosecution phase the following difficulties were identified:

—respondent's inability to answer subpoena and notices;
—liberal extensions granted by the prosecutor to the respondent to appear in preliminary investigation hearings.

Senate Ratifies Technology Treaties With India

BK0303043294 Manila MANILA STANDARD in English 27 Feb 94 p 6

[By Marichu A. Villanueva]

[Text] The Senate yesterday ratified two Philippine treaties with India which will ease the exchange of economic and technical information and enhance the transfer of technology between the two countries. Senator Blas Ople, chairman of the Senate foreign relations committee, secured the passage in second reading of the two Philippines-India treaties, bringing to 25 the total number of treaties so far ratified by the Senate since the 9th Congress started in July, 1992.

Ople also pushed for the Senate ratification of the Convention on Early Notification of a Nuclear Accident and the Convention on Assisting in the Case of a Nuclear Accident or Radiological Emergency. In his sponsorship speech for the Senate concurrence of the two Conventions related to nuclear accidents, Ople cited that this international agreement will place the Philippines within the protective umbrella of an international commitment to provide assistance in case of nuclear accidents.

The first treaty with India concurred in by the Senate, involves economic and technical cooperation in research and design, delivery and installation of plants, machineries and equipment and technical assistance in the field of industrial research, nuclear energy, engineering, telecommunications, agricultural and industrial research.

The other treaty with India ratified by the Senate calls for the scientific and technological cooperation which provide for the exchange of scholars, training programs and information exchange on metallurgy, silkworm culture, textile development, and low level technology which could be applied to countryside development program.

Ople said that even before the two treaties were ratified by the Senate, the Philippines and India have already put them into effect when Filipino scholars and trainees went to India to participate in research programs in agriculture, nuclear energy generation, industrial chemicals and health programs.

Meanwhile, Ople urged his colleagues at the Senate to also ratify with dispatch the two Conventions related to nuclear accident in the light of dangers it poses to mankind. Ople specifically pointed out the presence of nuclear reactors in neighboring countries of the Philippines within the 500 miles range. These countries, he said, include Taiwan which is 240 kilometers from Laoag, 795 kilometers from Manila with six nuclear reactors in operation and is building two more, Japan has 42 nuclear power plants, including two fueled by "highly dangerous" plutonium; China has one nuclear power plant and 10 research reactors; South Korea has five nuclear reactors, and North Korea with seven nuclear reactors and which continues to resist UN inspection on the real status of its nuclear facilities.

Under the two Conventions in which the Philippines is a signatory, the government would be in a position to demand from the erring country, through the International Atomic Energy Agency (IAEA) or its neighbor for technical and technological assistance to prevent the effects of radiation from nuclear accidents.

"The early notification would allow us to protect our people and our land from the spreading nuclear poison," Ople pointed out. "It is imperative that we become a party to these two conventions," he stressed. Ople recalled the Chernobyl accident in Russia where radioactive emissions were wind-carried to neighboring countries and demonstrated to the world the horrors of a nuclear accident.

NDF Denies Participation in March Talks

BK0303061094 Quezon City MALAYA in English 26 Feb 94 p 2

[By Chit Estella and Minnie Cadelina]

[Text] The National Democratic Front [NDF] denied yesterday it was participating in peace talks with the government next month. In a statement, NDF Vice Chairman Luis Jalandoni branded the information as a form of "disinformation" aimed at "diverting attention from the current massive protests of the people against Mr. Ramos' policies."

Former Justice Secretary Silvestre Bello was recently quoted as saying he received a communication from exiled communist leader Jose Ma. Sison announcing the holding of preliminary talks either in Europe or Vietnam next month.

Jalandoni said the claim was untrue and baseless. Indicating that the talks have even become uncertain, he said, "The NDF leadership, in considering possible preliminary or exploratory talks between the NDF and the government of the Republic of the Philippines, is taking into account the deep and widespread anger of the people against the Ramos regime's imposition of intolerable burdens on them, while continuing to be subservient to the IMF and World Bank and the foreign monopolies."

He also protested the government's recent move allowing detained rebel Arturo Tabara to be temporarily released on bail. Tabara is among the so-called rejectionists in the communist movement who are opposed to the leadership identified with Sison. By releasing Tabara, Jalandoni said the government was merely coddling "renegades and expellees" from the Communist Party of the Philippines. "If the Ramos regime is indeed serious in improving the climate for peace talks, it should release the more than 350 political prisoners," he said. Jalandoni accused the government of disinterest in the peace efforts and of resorting again to "psywar schemes."

Meanwhile, Sen. Rodolfo Biazon (Laban) [Lakas ng Bayan—People's Power] yesterday urged President Ramos to declare an eight-day unilateral cease-fire during the Holy Week, in observance of the Lenten season. The suspension of offensive military operations (SOMO), Biazon proposed, should run from 28 March to 24 April, four days longer than the usual cease-fire period government declares during the Holy Week.

Biazon pushed for an extended Lenten cease-fire due to the success of the extended cease-fire government declared last Christmas season. Traditionally, government declares a six-day cease-fire during the holiday season, but last year, it declared a 17-day SOMO, which Biazon said gave both soldiers and rebels and the people in the affected communities a respite from the armed struggle.

Rebel Group Still Has 'Significant Firepower'

BK0303062094 Quezon City MALAYA in English 26 Feb 94 pp 1, 3

[By Joy Gruta]

[Excerpts] The Rebolusyonaryong Alyansang Makabayan [Revolutionary Nationalist Alliance—RAM] is far from being a weak and spent force as government alleges, said RAM leader Gregorio Honasan, who added the RAM still possesses "significant firepower," including light anti-tank weapons and other high-powered firearms.

Honasan said the government does not know the real strength and manpower of the movement. "No matter how the information machinery and the AFP [Armed Forces of the Philippines] tries to dig on us, they still don't know who we are, how many we are, and where we are." [passage omitted] Honasan said the RAM will surrender its firearms only when the ongoing peace talks end in a "comprehensive political settlement." He said RAM leaders have given the peace talks another year before declaring them a failure.

Rights Group: Police Killed Communist Rebels

BK0303050294 Quezon City MALAYA in English 26 Feb 94 p 13

[By Eric Jimenez]

[Text] San Fernando, Pampanga—Two New People's Army rebels were summarily liquidated and not killed in an encounter with government troopers as police had reported, the Task Force Detainees [TFD] of the Philippines Pampanga Chapter said.

Police said Mario Bagain alias Ka [Comrade] Jayson and Ka Benjo, a member of the Mariano Garcia Brigade—a liquidation squad based in Mabalacat town and reportedly involved in the killing of two American servicemen at the former U.S.-run Clark Air Base—and Rico Gutierrez alias Archie, were killed in a pre-dawn encounter 9 February with the police in Barangay [village] San Antonio, Mexico town.

During a rally, leaders and members of the TFD Pampanga, Bagong Alyansang Makabayan [New Nationalist Alliance], League of Filipino Students, Kilusan ng Kababaihan Kapampangan-GABRIELA [Movement of Women from Pampanga-General Assembly Binding Women for Reforms, Integrity, Equality, Leadership, and Action], and other cause-oriented groups, said the rebels were "salvaged" by policemen.

Sonia Sotto, secretary-general of GABRIELA in Central Luzon, said residents of Mexico town told human rights representative that policemen belonging to the San Fernando-based 172d Mobile Force Co. under Superintendent Lino Calingasan went to Barangay San Antonio early dawn of 9 February, herded all the men in an open area, and picked out the two rebels. They said the two were shoved into a tinted car and were shot them in their presence. [as published]

Sotto said the cops also picked up three other male residents, including the father of Gutierrez, Roberto, for tactical interrogation, released them later, she said. [as published] Sotto said the policemen warned villagers not to say anything before they left.

Ramos: Military Factionalism Not Security Threat

BK0303084694 Quezon City MALAYA in English 27 Feb 94 p 1

[By Ellen Tordesillas]

[Text] President Ramos said yesterday factionalism in the military, if it exists, is not a threat to the country's stability. It should, however, be the responsibility of the AFP [Armed Forces of the Philippines] chief of staff "to make sure that there is no disunity in the armed forces," he said.

In a press conference in Romblon, the president said: "I do believe that because of the efforts being done by the government and the cooperative response of many of the members of the so-called RAM [Rebolusyonaryong Alyansang Makabayan—Nationalist Revolutionary Movement], this disunity need not be considered as a threat to the stability of the country because that is to me, now of much smaller proportions." But, the president said, "It (factionalism) remains a challenge to the leadership of the Armed Forces to overcome, if indeed it exists."

The president's statements appear to be a light admonition to General Lisandro Abadia, AFP chief of staff, who said Friday that factionalism still haunts the armed forces as he disclosed that the military rebels are still making the rounds of military camps.

AFP Chief: Military Still Factionalized

BK0203131594 Manila MANILA STANDARD in English 26 Feb 94 p 5

[Excerpts] Armed Forces Chief Gen. Lisandro Abadia admitted yesterday the AFP [Armed Forces of the Philippines] continues to be plagued by factionalism within its rank and file. Without identifying the supposed factions, the retiring AFP top man was obviously referring to the rebellious Rebolusyonaryong Alyansang Makabansa [RAM], Soldiers of the Filipino People, and the Young Officers Union (RAM-SFP-YOU). The group which is headed by cashiered Army Col. Gregorio Honasan has been responsible for the series of attempts to overthrow the former Aquino Government.

"Factionalism still hounds the AFP. The RAM, for instance, is still making the rounds among AFP personnel. Umiikot pa rin sila [They are still moving]," Abadia said when interviewed during yesterday's commemoration of the February 1986 Revolution. Abadia was referring to the series of consultations of RAM in various military camps aimed at popularizing the ongoing peace process among soldiers and military personnel.

He likewise scored the persistence of the "bata-bata [patronage] system" in the military establishment which, he said, contributes to the harboring of discontent among AFP officers. "We should really go back to the merit system in the promotion of our officers. We should do away with the bata-bata systems," he said.

Abadia recently revealed he had been asked by several politicians and businessmen to stage a coup before the national elections in 1992. But he said he flatly refused the overtures made by the group saying he wanted to give democracy a chance. [passage omitted]

In a related news, Justice Secretary Franklin Drilon said the government should not be faulted for the delay in the release of six RAM members contrary to complaints aired by the RAM. Drilon, in a memorandum for President Ramos said Sergeants Alberto Caoili, Fernando Casanova, and Victoriano Cordova have been confined in respective local jails pursuant to the order of the courts and can only be released upon the order of said courts which acquired jurisdiction over their respective cases. He said that appropriate motions for the temporary release of the three on recognizance were filed but the courts concerned denied the said motions. Clearly, he said, the prosecution cannot be held responsible for their continued detention.

Caoili and Cordova are facing charges of illegal possession of firearms and ammunition. The nature of Casanova's case was not established, though it was reported to be a bailable one. On the other hand, Drilon said Sergeants Antonio Soriano, Orlando Ayeras, and Willy Marayag were not among the RAM/SFP/YOU members in the list which was the subject of the president's order for release dated 23 December 1992.

RAM Leader Chides AFP Chief

BK0[illegible]03100894 Manila MANILA STANDARD in English 28 Feb 94 p 3

[By Romie Evangelista]

[Excerpts] A senior officer and one of the pioneers of the Revolutionary Nationalist alliance-Young Officers Union (RAM-YOU) yesterday asked Armed Forces Chief General Lisandro Abadia to stop making the military rebel group as his "whipping boy" for his failure to unify the military. Former Philippine Constabulary Lieutenant Colonel Billy Bibit, said RAM-YOU members are making rounds inside the various military camps but stressed that they were just visiting former classmates.

According to Bibit, his group should not be denied access in visiting classmates and friends still in the military service. "We are visiting our friends. What do they want, that we don't visit our friends anymore; isn't it normal for us to go and visit them because we also used to be in the AFP?" Bibit asked. "If they've failed in their mission (to unify the AFP), they shouldn't point a finger at anyone. They can't use us as their "whipping boys," he added. [passage omitted]

Bibit said unifying the AFP is a difficult undertaking, and it was the primary objective of the RAM (formerly called the Reform the AFP Movement) after the 1986 civilian backed military uprising which toppled President Marcos from power. "But after three or four months, the RAM backslided because of patronage system," Bibit said.

Bibit disclosed that military officials have already identified the patronage system as contributing factor in the growing discontent in the military ranks, but only failed to neutralize them. "They know what they are supposed to do but nobody dares to for fear of their own security, or let us say, you are not popular if you do not have proteges," Bibit said.

One of the advantages in the patronage system, according to Bibit, is having better opportunities for schooling abroad, promotion and good assignments.

Governor on Islam, Mindanao Insurgency

BK0303104294 Manila PHILIPPINE DAILY INQUIRER in English 27 Feb 94 p 15

[Text] The Abu Sayyaf problem will not die the way other insurgent groups might, a Basilan official said yesterday. This, according to Gov. Abdulgani "Gerry" Salapuddin, is because the Islamic religion is being used to fuel the commitment of the group's members to turn Mindanao into an Islamic state. Basilan is where the group started to gain prominence and followings. It was founded by Islamic leader Abdulajik Janjalani. The military has described the group as "the third force" to reckon with in Mindanao, after the Moro National Liberation Front [MNLF] and the Moro Islamic Liberation Front (MILF).

"This (Abu Sayyaf problem) is more difficult to solve than mere insurgency," Salapuddin told the INQUIRER. He said the insurgency problems are rooted on political and economic factors. Once these factors are addressed in a sustained manner, "the issue will die down by itself," he said. "But not extremism because ideas and beliefs don't die." It is likely, he said, that the group will not give in to any concession short of the establishment of an Islamic government in Mindanao. Abu Sayyaf members are ready to die for their cause, believing they will go to heaven (or surgah) if they die fighting.

Salapuddin, a former MNLF commander, continued: "They will be accorded martyrdom by Allah if they are killed in combat. This is what new members are taught. It is difficult to re-orient them otherwise." It is the appeal on religious extremism, Salapuddin said, that contributes to the growing appeal of the group to new members in Mindanao and in Metro Manila. "Extremism catches fire," he said.

Moreover, the group is reported to be targeting both the Muslim intellectuals and the poor fishermen "who are not educated enough to know the true meaning of Islam." But the majority of more than four million Muslims here are reportedly not supportive of the cause and ideal propagated by the Abu Sayyaf. "Islam espouses moderation, anything that is extreme is not what Islam teaches," Salapuddin told the INQUIRER.

He urged local government leaders in Mindanao to mobilize the local "moderate" Muslim leaders to "counter the spread of extremism," which had reportedly reached many Muslim-populated barangays [villages] in Mindanao and Metro Manila.

Meanwhile, he said the top leaders of the Abu Sayyaf have left Basilan for other places in the country. He could not say where they have gone to, but he gave this hint: "Where bombs are exploding, where terroristic activities are—you can guess they have leaders there."

Roundup of Rebel Activities for 19-25 February

BK0203054194

[Editorial Report] The following is a roundup of reports of Philippine rebel activities from Philippine media monitored by Bangkok Bureau between 19 and 25 February. Source information is given in parentheses at the end of each item.

19 February
A New People's Army leader, Lodelo Neon, and his wife, Imnas Marcos, were captured by the military in the village of Basilio, Roxas Municipality, Kalinga Apayao Province. Neon was a platoon leader of Section 2 of the Dr. Juan Escandor operational command. (Manila MANILA BULLETIN in English 19 Feb, p 25)

20 February
The Armed Forces of the Philippines Civil Relations Service reports that the Philippine Army captured a suspected New People's Army propagandist in Davao del Norte. (Manila MANILA BULLETIN in English 20 Feb, p 12)
Military investigators in San Miguel, Bulacan are investigating a report that striking employees of a firm asked rebels, who showed up with many guns, to intimidate management. (Manila MANILA BULLETIN in English 20 Feb, p 12)

21 February: No fileworthy items monitored.

22 February
Three rebels were killed and three others captured in an encounter between New People's Army terrorists and Army troops in the heavily forested village of Mabini, Daraga Municipality, Albay Province. The captured rebels were identified as Blandino Olaybal, Angeles Avila, and Rico Limiro. (Manila MANILA BULLETIN in English 22 Feb, p b-8)
Three New People's Army rebels led by Usman Mabandos, alias Commander Iligan, turned over their armalite rifles to the Southern Command during surrender rites in Sibagat, Agusan del Sur. (Manila MANILA BULLETIN in English 22 Feb, p b-8)

23-25 February: No fileworthy items monitored.

Thailand

Navy Releases 14 Cambodian Sailors

BK0303023494 Bangkok THE NATION in English 3 Mar 94 p A5

[Excerpt] The Thai navy has released 14 Cambodian sailors held after a skirmish in the Gulf of Thailand last month, a military source said yesterday. "They were released from our detention late on Tuesday," a senior officer based in Trat province said. He said the 14 Cambodians including their commander were handed over to Cambodian Vice Admiral Tea Win but declined to say why they had been freed. [passage omitted]

Official on Burmese Handling of Fishermen

BK0303031294 Bangkok Radio Thailand Network in Thai 0000 GMT 3 Mar 94

[Text] According to Plotprasop Suratsawat, the Fishery Department director, in the past three months Burma has sunk 50 to 70 Thai fishing boats and caused the deaths of over 200 Thai fishermen by gunshot wounds or drowning. A number of Burmese fishermen have also lost their lives.

Plotprasop said that although Thai fishing boats were guilty of fishing in Burmese waters, Burmese punishment was excessive. The Burmese Government is asked to look into the matter. There should be a standard in punishing guilty Thai fishing boats, not applying violent methods. It is believed that the violent action was committed by low ranking sailors who were patrolling the sea. In any event, Thailand has asked to negotiate the fishing problem with the Burmese Government but there has been no response to date.

Mons Arrested for Opposing Rangoon Talks

BK0303101694 Bangkok PHUCHATKAN in Thai 2 Mar 94 p 15

[Text] The police arrested of the 17 anti-Burmese Government elements of the Mon ethinic group on charge of illegal entry into the country early in the morning of 25 February. One of those arrested was identified as Chaiyot Pinsukan, alias "Nai Phayap," a former Kuomintang military officer who is regarded as a key man in the Mon leadership. He was charged with sheltering illegal immigrants. The arrest, which took place only one day before the celebration of the Mon ethnic group's national day scheduled at a stronghold at Hub Phak border pass in Marid township near the Thai- Burmese border, served as a warning for the Burmese minority groups that are now engaging in the rebellion against the Burmese Government.

A source close to Chaiyot told PHUCHATKAN that the arrest was definitely politically motivated because Chaiyot and other Mon leaders were known to have been active in opposing the cease-fire talks between the New Mon State Party and Burmese regime. They believe that the cease fire agreement will bring an end to their struggle for national liberation.

On 24 February, the Mon arrestees lodged a letter with the United Nations Office in Bangkok to demand the separation of their area from Burma and complain about Mons being deprived of their human rights by the Burmese Government and the eviction of the Mon refugees in Kanchanaburi Province.

The source disclosed that the arrest took place at about 0600 on 25 February when immigrantion police and officers from the Police Special Branch raided a house on Soi Ramkhamhaeng in Bangkapi District of Bangkok. Chaiyot reportedly used the house as his office and a shelter for the Mon during their stay in Thailand.

However, some of the Mon were later released because they could produce official permits allowing them to travel outside the restricted areas.

Meanwhile, Chaiyot is still being detained at the Immigration Police Command Headquarters. His Taiwanese wife is seeking legal help to bail him out. Earlier, Special Police Branch was keeping a close surveillance on Chaiyot's movements because the Thai Government feared that the activities of the Mon rebels on Thai soil might damage relations between Thailand and Burma and create obstacles to the ongoing cease-fire talks between the Burmese Government and minority groups. During an interview granted to PHUCHATKAN prior to his arrest, Chaiyot claimed that he had 5,000 Mon soldiers under his control to fight the Rangoon regime. He stressed that he would continue to lead the struggle against the Burmese Government even if the New Mon Party signed a cease-fire agreement with the Burmese authority, saying that he was not afraid of being arrested. He said: "You only die once. They can do anything with me."

However, Nai Aung Tin, secretary general of the executive committee of the New Mon State Party, told PHUCHATKAN in an interview during the celebration of the Mon national day in Marid that Chaiyot does not play any role in the party. He is an outsider who used to support the party.

It was reported that the Burmese Government and four ethnic groups, namely Kachin, Red Wa, Kokang, and Palaung have now agreed to a cease-fire. The Karen, Karenni, and Mon are the only three groups that are still at odds with Rangoon. The Karen once requested Thailand to host peace talks, but the Thai Government rejected their request.

Vietnam

Human Rights Talks With U.S. 'Constructive'

BK0103060794 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 1 Mar 94

[Text] A Vietnamese delegation led by Ambassador Le Van Ban and a U.S. delegation led by the deputy assistant secretary of state for humanitarian and human rights issues Nancy Ely-Raphel held in New York yesterday a dialogue on the human rights issue and other matters of mutual concern. The meeting took place in a constructive atmosphere of mutual understanding. Both sides expressed their hope that the dialogue will contribute to spurring the process of improving relations between the two countries.

Government Condemns Massacre of Palestinians

BK2802150494 Hanoi VNA in English 1435 GMT 28 Feb 94

[Text] Hanoi VNA Feb 28 — 'The Vietnamese people strongly condemn the massacre of 53 Palestinian people in the Israel-occupied town of Hebron, last Friday', said a message to Mr Yasir 'Arafat, president of Palestine and chairman of the Executive Committee of the Palestine Liberation Organization (PLO) by Senior-Lieutenant General Nguyen Nam Khanh, president of the Vietnam Committee for Solidarity with the Palestinian People (VCSP).

The message continues: 'This cruel crime of the Israeli ultra-rightists has created a tense atmosphere, thus adversely affecting the present talks between Israel and the PLO aimed at implementing the agreements on the transfer of autonomous right to the Palestinian people in the Gaza strip and Jericho City'.

'The Vietnamese people request the Israeli Government to take effective measures to prevent the recurrence of similar acts and severely punish the criminals. We call on the international community and the United Nations to assume the responsiblity for protection of the Palestinian people living the Israel-occupied areas.

'The Vietnamese people have now as in the past resolutely and persistenly supported the Palestinian people's just struggle under the leadership of the PLO headed by you for their sacred national rights',the message says in conclusion.

'High-Level' Military Delegation to Russia

BK0203161994 Hanoi VNA in English 1441 GMT 2 Mar 94

[Text] Hanoi VNA March 2—A high-level military delegation led by senior Lieutenant General Dao Dinh Luyen, vice minister of national defence and chief of the General Staff left Hanoi today for an official visit to Russian Federation.

The visit is made at the invitation of the Russian Ministry of National Defence.

Singaporean Prime Minister Visit, Talks Reported

Arrival on Official Visit

BK0203164494 Hanoi VNA in English 1452 GMT 2 Mar 94

[Excerpt] Hanoi VNA March 2—Prime Minister Goh Chok Tong of Singapore and his wife arrived here this afternoon, beginning an official friendship visit to Vietnam as guest of Prime Minister Vo Van Kiet.

Present at a state welcome ceremony held here this afternoon were Prime Minister Vo Van Kiet and his wife, Foreign Minister Nguyen Manh Cam, Chairman of the State Committee for Cooperation and Investment Dau Ngoc Xuan, Commerce Minister Le Van Triet, Finance Minister Ho Te, Mayor of Hanoi Le At Hoi and other senior officials.

Members of the diplomatic corps and representatives of several international organizations in Hanoi and Singaporean ambassador to Vietnam Toh Hock Ghim was also present at the event. [passage omitted]

Double Taxation Agreement Signed

BK0203134094 Singapore Singapore Broadcasting Corporation in English 1100 GMT 2 Mar 94

[Excerpt] Singapore and Vietnam have signed an avoidance of double taxation agreement to bring about more trade, investment, and exchange of expertise. The signing ceremony in Hanoi today was witnessed by Prime Minister Goh Chok Tong and Prime Minister Vo Van Kiet. Minister of State for Finance and Communications Commodore Teo Chee Hean signed for Singapore, while Finance Minister Ho Te represented the Vietnamese Government.

The tax agreement will be particularly welcomed by Singaporeans, who have investments of some 700 million dollars in Vietnam. It is the latest in a series of bilateral trades signed since 1992 which have further boosted economic ties. These include shipping, trading, and investment guarantee tax. [passage omitted]

Meets With Vo Van Kiet

BK0303053294 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 2 Mar 94

[Text] Prime Minister Vo Van Kiet held talks with Prime Minister Goh Chok Tong on the afternoon of 2 March. Attending the talks on the Vietnamese side were Nguyen Manh Cam, minister of foreign affairs; Dau Ngoc Xuan, chairman of the State Committee for Cooperation and Investment; Le Van Triet, minister of commerce; Ho Te, minister of finance; Vu Quoc Chan, assistant to the prime minister; Doan Manh Giao, deputy chairman of the Government Office; Vo Hong Phuc, deputy chairman of the State Planning Committee; and leading officials of the Ministries of Justice, Transportation and Communications, Education and Training, and Building and the Tourist and Post and Telegraph General Departments. Vietnamese Ambassador to Singapore Nguyen Manh Hung also attended the talks.

On the Singaporean side were Shunmugan Jayakumar, minister of foreign affairs; Chen Tong Yeo, minister of trade and industry; Teo Chee Hean, minister in charge of finance and communications; Toh Hok Ghim, Singaporean ambassador to Vietnam; and many other high-ranking Singaporean officials.

During the talks, Prime Minister Vo Van Kiet warmly welcomed Prime Minister Goh Chok Tong, his wife, and other distinguished Singaporean guests on their first official friendship visit to our country, regarding this visit not only as an event of very great important significance for the good frienship and comprehensive cooperation between the two countries but also as an important contribution to the trend of cooperation in the region.

Prime Minister Vo Van Kiet informed the Singaporean prime minister of the multi-faceted achievements of the Vietnamese renovation process. He reiterated the foreign policy of independence, sovereignty, and openness in the direction of diversification and multilateralization and pointed out that the nation's primary interest is to focus on its relations with countries in the region.

The Singaporean prime minister expressed his pleasure at visiting Vietnam for the first time and his profound gratitude to Prime Minister Vo Van Kiet, his wife, and the Vietnamese people for having accorded his delegation a very solemn and friendly welcome.

The two sides expressed satisfaction at the fast-breaking and fine development of friendship and cooperation between the countries since the visit to Singapore by Prime Minister Vo Van Kiet in October 1991. They unanimously agreed with the need to broaden scientific, technological, cultural, and tourist cooperation because there still remains very great potential for bilateral cooperation.

The Vietnamese side highly valued Singapore's policy of attaching due importance to efforts to strengthen its ties with Vietnam, particularly on the economic, trade, and investment fronts. It welcomed Singapore's willingness to share its development experiences with Vietnam and its continued efforts to participate in infrastructure building in Vietnam.

The Singaporean side expressed its readiness to cooperate with and assist Vietnam in tourist development, encourage Singaporean business people to invest in local industrial development in Vietnam, exchange international bidding experiences, and help with personnel training.

The two sides exchanged views on measures to further promote multi-faceted cooperation between the two countries for the sake of bilateral development and prosperity and for the entire region. They also exchanged views on international and regional issues of common concern.

The Singaporean side welcomed Vietnamese participation in ASEAN, regarding this as a positive contribution to cooperation and prosperity in the region. It maintained that through its participation in the ASEAN special cooperation committees, Vietnam will discover appropriate domains for promoting Vietnam-ASEAN cooperation, thereby making preparations for ASEAN membership.

The talks proceeded in an atmosphere of friendship, straightfordwardness, and mutual understanding.

Premiers Speak at Banquet

BK0203164894 Hanoi VNA in English 1523 GMT 2 Mar 94

[Quotation marks as received]

[Text] Hanoi VNA March 2—Prime Minister Vo Van Kiet and his Singaporean courterpart, Mr Goh Chok Tong delivered speeches at a banquet here this evening in honour of the latter's current official visit to Vietnam.

In his speech, P.M. [Prime Minister] Kiet said:

'This visit of yours is the first official one to our country ever in history by a head of government of Singapore. It takes place only five months after the visit to Singapore by Secretary-General Do Muoi and four months after the second visit to Vietnam by his excellency Senior Minister Lee Kuan Yew. This clearly proves that our friendly and cooperative relationship has been incessantly growing in an broadening scope and with a deepening and intensifying nature.

'It gives me great pleasure to note that, since my last visit to Singapore in October 1991, in line with the agreements and arrangements which have been concluded to form a foundation for the cooperation between our two countries, the volume of two-way trade and particularly the investment in Vietnam by Singapore have been increasing considerably. Singapore friends have shared with us development experience, particularly in the key area of infrastructure in which Singapore has proven strength and Vietnam is interested. We greatly appreciate your valuable ideas and suggestions, and assistance in training Vietnamese personnel in various fields through the Indochina Assistance Fund. I strongly believe that, your present visit and the signing of the avoidance of double taxation agreement will help further enhance the sound cooperation between our two countries for the sake of prosperity of our respective countries and of the region.

'In the recent years, the global and regional situation has been changing greatly and profoundly. In the panorama of mixed colours, the striking feature is the shared desire by nations for a peaceful and secure environment for development, and the growing trend of regional cooperation. Against this overall context, the trend of peace, cooperation and development in our region is all the more highlighted. Nowadays, Southeast Asia is in the most favourable condition ever since the end of the Second World War to lay down a foundation for cooperation in the interest of durable peace and prosperity of the entire region. Besides most encouraging achievements as a result of the correct policy of 'Doi Moi', in overcoming the socio-economic crisis, in developing the economy and maintaining political stability, Vietnam has recorded new successes in pursuing the foreign policy of independence, sovereignty and openness in the direction diversification and multilateralization. Our primary interest is to further expand and strengthen cooperation with the countries in the region, both bilaterally and multilaterally. We stand ready to be hand in hand with the Southeast Asian peoples to proceed towards a future of peace, independence, prosperity and development.

'It is my firm conviction that your visit will not only strengthen further the relations of friendship and cooperation between our two countries, but also contribute to peace, cooperation and development in Southeast Asia.

Prime Minister Kiet went on:

'We are indeed very satisfied with the results of the exchanges of views we have had today. Mutual understanding and confidence between us have been enhanced, areas of cooperation broadened and promise brilliant prospect. Your visit will therefore certainly mark a new development in the Vietnam-Singapore cooperation'.

In his turn, Prime Minister Goh Chok Tong said 'Your excellency's visit to Singapore in October 1991 opened a new chapter in our bilateral relationship. Since then, our relations have strengthened rapidly, with several exchange visits of top leaders.

The Indochina Assistance Fund has been used to fund technical assistance programmes for your country. Singapore has also established the infrastructure task force to help Vietnam in its development. We are pleased to share our development experience with you and to help Vietnam plan and build its infrastructure.

'Singapore is now Vietnam's largest trading partner and eighth largest investor. The Singapore private sector has demonstrated its confidence in Vietnam through its increasing investments. I hope that my visit here will pave the way for more trade and Singapore investments in Vietnam'.

P.M. Goh Chok Tong continued: 'Vietnam now has some experience working with foreign investors. It has already achieved good economic growth rates in the last two years. You are blessed with abundant natural resources and a hardworking, intelligent workforce. If Vietnam presses on with its 'Doi Moi' and makes foreign investors feel welcome, it can be another dynamic east Asian economy.

'We welcome your accession to the treaty of amity and cooperation in Southeast Asia.

Your foreign minister is now a regular participant at the annual ASEAN ministerial meetings.

Vietnam is also one of the charter-members of the ASEAN regional forum [ARF], which will meet again soon to discuss regional political and security cooperation issues.

We hope that through both ASEAN and the ARF, our relationship will not only broaden but also deepen.

Together, we can work to safeguard Southeast Asia's security'.

Editorial Welcomes Visit of Mongolian President

BK0303071894 Hanoi VNA in English 0624 GMT 3 Mar 94

[Text] Hanoi VNA March 3—Mongolian President P. Ochirbat's visit to Vietnam is an important event which will contribute to further strenthening the relations of friendship and cooperation between Vietnam and Mongolia, says NHAN DAN in an editorial to welcome the Mongolian leader who is expected here today.

The editorial continues:

Vietnam and Mongolia have had traditional cooperation and friendship for more than four decades now. The Mongolian Government and people gave wholehearted support to the Vietnamese people in their struggle for national liberation in the past as well as in national construction and defence at present. Mongolia has highly appreciated the result recorded by the Vietnamese people in the current renovation process, and wished to develop its multisided cooperation with vietnam. During President Ochirbat's visit the Vietnamese and Mongolian delegations will exchange views on measures, forms and possibilities to promote bilateral relations.'

'As two developing countries where economic reforms are in process, Vietnam and Mongolia will contribute to speeding up the trend for peace and stability in the East Asian region and the world,' the editorial concludes.

Mongolian President Arrives

BK0303121594 Hanoi Voice of Vietnam in English 1000 GMT 3 Mar 94

[Text] Mongolian president Punsalmaagiyn Ochirbat arrived in Hanoi Thursday, 3 February, at the invitation of President Le Duc Anh. President Ochirbat was welcomed with red carpet treatment at the Ba Dinh Square in Hanoi. Present at the ceremony, among the others, were President Le Duc Anh and Foreign Minister Nguyen Manh Cam. The two presidents then inspected the guards of honor of the Vietnamese Army. Afterward, the two presidents held cordial meeting at which the Mongolian guest wished that the visit would help him further understand and learn about Vietnam's experiences in its renovation process.

Nguyen Thi Binh Visits Guinea, Guinea-Bissau

BK0203005894 Hanoi VNA in English 1507 GMT 2 Mar 94

[Text] Hanoi VNA March 2—Vice President Nguyen Thi Binh paid a four-day official visit to the Republic of Guinea as guest of President Lansana Conte.

The vice president was accompanied by Minister of Public Health Nguyen Trong Nhan, Deputy Minister for Foreign Affairs Nguyen Dy Nien, Deputy Minister of Trade Mai Van Dau, and Deputy Minister of Agriculture and Food Industry Nguyen Thien Luan.

While there, Vice President Nguyen Thi Binh held talks with President Conte and had working sessions with some ministers of the Council of Ministers.

Present at the talks on Guinea's side were minister of state for foreign affairs and international cooperation, minister of public health and social affairs, minister of state for national education, minister of trade, transport and tourism, minister of youth, arts and sports, and other senior officials.

Vice President Nguyen Thi Binh and President Lansana Conte exchanged views on the international and regional issues of common concern. The two sides were pleased at the traditional friendship and cooperation between Vietnam and Guinea. They reaffirmed their determination to develop and multilateralize these relations in [words indistinct] of the two peoples.

Mrs Binh highly appreciated the achievements recorded by the people of Guinea in the renovation process under the leadership of President Conte.

President Conte hailed great efforts made by the Vietnamese Government aimed at improving the people's daily life and building Vietnam into a peaceful, independent and prosperous country.

On the world situation, the two sides supported efforts by the international community aimed at settling all conflicts by means of peace. They laid stress on the importance of the struggle for a new world economic order and the great role of the Non-Aligned Movement and the 'Group 77' in this struggle. They also agreed to promote and strengthen south-south cooperation.

Vice President Binh conveyed President Le Duc Anh's invitation to President Conte to visit Vietnam. The Guinean president accepted the invitation with pleasure.

At the end of the visit, the two sides signed an agreement on economic, cultural, scientific-technological and commercial cooperation, and issued a joint communique. Vice President Nguyen Thi Binh left Guinea yesterday for Guinea-Bissau, the fourth leg of her Africa tour.

Party Official Comments on Hai Hung Economy

BK0303104494 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 1 Mar 94

[Text] The midterm party conference of the sixth Hai Hung Province party organization opened this morning, 1 March, at the Hai Duong district capital. Comrade Dao Duy Tung, member of the Political Bureau and secretary of the party Central Committee, is attending.

Comrade Pham Van Tho, member of the party Central Commmittee and secretary of the provincial party committee, delivered a report to the conference. According to the report, after scoring outstanding achievements and effecting a considerably high economic growth rate over the past three years, Hai Hung is now adopting new measures to shift to the commodity economy and effect economic restructuring in the direction of the market mechanism. The average gross domestic product for the last three-year period increased by 7.85 per cent, which is 2.3 times higher than that of the previous five-year period. The 1993 grain output reached 1,252,000 tons and the local industrial output accounted for 29.2 per cent of the overall national industrial product. The average export index reached 9 million dollars.

The report of the provincial party organization's executive committee also pointed out Hai Hung's shortcomings as follows: The local economy still depends entirely on agriculture and is unstable. The pace of development of the commodity economy is slow. Production operations are scattered. Agricultural products processing and consumption is still rife with many difficulties. Unemployment constitutes a burning problem.

Hai Hung is making efforts to ensure that from now until the conference of the seventh provincial party organization it will achieve an average increase of more than 9 percent in the gross domestic product; formulate an overall economic development plan under which agriculture will account for 40 percent of overall production, industry for 30 percent, and the service sector for 30 percent; apply uniform measures to boost the multisectorial economic growth; make continued efforts to renovate and perfect the mechanism and economic management system, create a favorable environment for the development of the commodity economy, resolve social problems, renovate and revamp party organizations, and strengthen the relations between the party and people.

Hoa Binh Hydropower Plant Completes Last Turbine

BK0303085094 Hanoi Voice of Vietnam in English 1000 GMT 2 Mar 94

[Text] Hoa Binh, Vietnam's biggest power plant has its full strength of 1,520 megawatt with the installation of its eighth and last turbine. The installation of the 670-tonne turbine was completed at the Hoa Binh plant on the Da River southwest of Hanoi on Friday. The giant hydroelectric scheme, which has taken more than 10 years to complete and was one of the former Soviet Union's main foreign aid projects, was finished in time for the major diversion of power from the surplus north to the deficit south. Inauguration of the new 1,500-km north-south transmission line is scheduled for 5 April.

Australia

Officials Preview Upcoming U.S. Talks

BK0303103094 Hong Kong AFP in English 0843 GMT 3 Mar 94

[By Jack Taylor]

[Text] SYDNEY, March 3 (AFP)—Australia will urge the United States in ministerial talks next week to nurture its role as a force for stability in the Asian region by making clear an awareness of regional sensitivities, officials said here Thursday. Australia believes that, being closer to the region, it has developed a greater awareness of these sensitivities and that it has "some perspectives on this that might be usefully conveyed" to Washington.

They will be conveyed to a U.S. delegation led by Secretary of State Warren Christopher and Under Secretary of Defence Frank Wisner, who are due in Canberra Monday for bilateral discussions. Warren [Christopher] will leave Wednesday for meetings in Beijing and Tokyo after a day and a half of talks with the Australian delegation led by Foreign Minister Gareth Evans and Defence Minister Robert Ray.

It is Australia's first ministerial meeting with senior officials of the Clinton administration following postponement of a talks originally scheduled for Cairns last July. "It's an imporant opportunity for us to reaffirm the alliance ties and for us to have an influence on US policy development," an Australian official told a media briefing here.

"One of our objectives is to bolster US perceptions of Australia as an active participant in the region, a responsible player and an ideas generator for the region." Australia will take the opportunity to impress upon its closest ally and largest trading partner after Japan the view that it should work to sustain what is seen as a well respected role as a regional force for stability.

"For that to be sustained I think the US has got to show an awareness of regional concerns and regional sensitivities, something we feel that we in Australia have developed a little more of in recent years," said the official. Australia would not lecture the United States, but wanted to indicate its view that Washington is still needed and wanted as a major player in the region.

Canberra is also keen on the eve of Christopher's visit to Tokyo to see an early settlement of the US-Japan trade dispute over the trade imbalance favouring Japan. Australia did not take sides and supported Washington in its efforts to open Japanese markets further and bring Japan more into the sort of trading patterns that exist elsewhere. But the official added that Australia also shared Japanese concerns about the imposition of quantitative indicators in particular market sectors. Canberra's view is that if Japan opens its markets in particular areas they should be open to all countries, not just the United States, and if their dispute cannot be resolved it might be referred to the GATT (General Agreement on Tariffs and Trade).

Canberra will also raise the issue of renewal by Washington of its Most Favoured Nations (MFN) trading status in China, which is dependent on a judgment about human rights. "There are also questions of sanctions that the US has in place against high technology exports because China has refused to commit itself to the missile technology control regime guidelines, something which affects us," the official said. Australia had human rights concerns with China, but did not tie them to trade, the official said, commenting: "In essence we are singing from the same songbook, but we don't have a linkage with trade."

Minister Announces Aid for Palestinians

BK0303050094 Melbourne Radio Australia in English 0100 GMT 3 Mar 94

[Text] Australia is to provide around $2 million [Australian dollars] to help Palestinian refugees and stability in the Middle East.

Minister for development cooperation, Gordon Bilney, said the money would be part of the $10 million aid package to the United Nations relief and work agency. He said Australia is joining with other members of the international community to provide practical assistance in the area.

Fiji

Indians Not To Join Regime If No Charter Changes

BK0303084894 Melbourne Radio Australia in English 0500 GMT 3 Mar 94

[Text] A Fiji's opposition leader says Indians will not accept the place in the government of Prime Minister Sitiveni Rabuka until there are changes to Fiji's constitution. This comes after Mr. Rabuka, after being reelected prime minister following the recent Fiji elections, said he hoped the Government of National Unity could be formed within the next five years. [sentence as heard]

Opposition Leader Jai Ram Reddy says before that can happen there must be a review of Fiji's 1990 constitution, which he says discriminates against Indians and ensures they remain in a parliamentary minority. Terms of reference have been agreed for a constitutional review, which must be completed by 1997. In last month elections, Mr. Reddy's National Federation Party won 20 of the 27 seats set aside for Indians in Fiji's 70-seat parliament. Indians make up 45 percent of Fiji's population.